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1. **ITALY KEEN FOR NEW ERA OF TECHNOLOGY AND TEXTILE TRADE TIES WITH PAKISTAN**

The Italian Ambassador to Pakistan Andreas Ferrarese said Thursday that Italy wanted to start a new era economic and trade cooperation with Pakistan through transfer of technology and for upgradation of Pakistan's textile industry.

Green economy, transfer of technology for industrial sector including textiles and agro industry, construction sector, education and health are major areas of focus to extend the bilateral cooperation, he told APP in an exclusive interview.

The ambassador said that through the green economy, Italy want to cooperate with Pakistan for environment protection, circular economy, resource saving and management, ecosystem protection and recovery, water conservation and natural disaster prevention.

Replying to a question, he said Italy has established the Italy-Pakistan Textile Technology Center (IPTTC) in Faisalabad at the National Textile University (NTU) to upgrade the local textile sector. He said the training centre, which is the first of its kind for Italian textile machinery technology in Pakistan, was inaugurated in recent past. He said this project was financed by the Italian government to support the development of the local textiles industry, by equipping it with Italian machinery.

Replying to a question, he said that a new economic mission would also be deployed in Pakistan to enhance trade and economic connectivity, saying that there was huge trade potential in different sectors of economy which needed to be exploited. He said that new economic mission would be established in Karachi and Islamabad.

Replying to another question on trade situation between Pak- Italy, he said that promotion of bilateral trade between the two countries to its full potential of US \$5 billion annually during next three years from current US \$ 1.7 billion was one of the top priorities of his government. He informed that Pakistan exports to Italy were US \$731million during fiscal year 2019-20 with textile, leather, rice, ethanol, textiles articles, sets, worn clothing, cotton, apparel, crocheted, cereals, raw hides and skins, beverages and footwear.

The ambassador said that during fiscal 2019-20, Pakistan's imports from Italy stood at US \$ 521 million which included ships, boats, and other floating structures, machinery, pharmaceutical product, aircraft, spacecraft, electrical, electronic equipment, organic chemicals, iron and steel, miscellaneous chemical products, optical, photo, technical and medical apparatus.

The Italian envoy said currently, Italy was providing technical assistance to Pakistan in textiles, leather and marble sectors.

(Source: Daily Times)

2. TEXTILE UNITS URGED TO AVOID PANIC BUYING

The National Committee on Textiles and Clothing has urged textile units to avoid panic buying across the value chain, in an effort bring stability of prices.

T. Rajkumar, co-ordinator of the Committee, recently wrote to the units that it was decided at a virtual meeting of the national and regional textile associations held last month to adopt a win-win strategy. However, there is a panic situation again at the fabric stage.

Mr. Rajkumar pointed out that raw materials and finished goods inventory at each segment of the industry has drained out due to prolonged lockdown. Therefore, every manufacturer is trying to build an inventory, apart from meeting the regular production requirement.

Manufacturers across the value chain have to manage with minimal inventory till supplies improve. The current market demand revival is “V” shaped and if the units fail to manage the inventory prudently, manufacturers across the textile value chain may face erosion of working capital if the prices fall (as it happened 2010-2011) causing irreparable damage to the industry, he said.

The country had over 105 lakhs bales of cotton stock during the last season and is likely to have the same stock in the current season. Hence, spinning mills should avoid panic buying by offering higher prices, Mr. Rajkumar said.

And, yarn producers should fulfil their commitments before taking fresh orders, he added.

(Source: News Bundle Online)

3. 'INDIAN TEXTILE SECTOR SHOWING SIGNS OF RECOVERY'

The COVID-19 pandemic had its adverse effect on the sales of the Indian textiles and apparel industry, with overall sales dropping by 36 per cent in H1 FY21 compared to that in H1 FY20. In Q2 FY21, however, there have been signs of a remarkable recovery, with the average EBIDTA percentage recovering by 7.4 percentage points from Q1 FY21 to Q2 FY21.

The overall EBIDTA showed a decline of 58 per cent in H1 FY21 as compared to H1 FY20. Raw material (RM) cost and manpower cost also decreased by 36 per cent and 23 per cent, respectively during the same period, according to the latest edition of the Wazir Textile Index (WTI), which encompasses the highlights of the cumulative financial performance of the top Indian textile companies with respect to the market performance of the Indian textiles sector in H1 FY21.

The consolidated sales of the selected top 10 companies were ₹12,934 crore in H1 FY21 as compared to ₹20,235 crore in H1 FY20 and showed a decline of 36 per cent as compared to the previous year, according to the WTI.

As compared to H1 FY20, the average EBITDA margin has also declined by 4.5 percentage points in H1 FY21 for the selected top companies. Average RM cost decreased by 0.3 percentage points, while the average employee cost increased by 2.3 percentage points in H1 FY21 as compared to the same period during the previous financial year.

The textiles & apparel (T&A) exports in H1 FY21 stood at \$11.9 billion, showing a dip of 29 per cent from H1 FY20. The exports of filament and apparel witnessed the highest dip of 49 per cent and 39 per cent, respectively. In Q2 FY21, exports of fibre have shown a significant recovery of 78 per cent y-o-y due to the increase in cotton exports amid the US ban on the purchase of cotton products from China. On the home textiles front, exports witnessed a steady recovery in Q2, led by high hygiene and wellness consumption across the US and EU territories.

The Indian T&A industry showed a significant recovery in overall sales and EBIDTA levels in Q2 FY21 as compared to Q1 FY21. The consolidated sales rebounded by 97 per cent from Q1 FY21 to Q2 FY21 and the average EBIDTA percentage recovered by 7.4 percentage points from Q1 FY21 to Q2 FY21. The performance of exports also showed recovery with only 1 per cent decline in Q2 FY21 as compared to 56 per cent decline in Q1 FY21. With these results and the beginning of the post-COVID world, the T&A industry is anticipated to show positive results in the next quarter.

(Source: Fibre2Fashion)

4. MINI TEXTILE PARK TO BE SET UP AT KODAKANDLA

A mini textile park will be set up at Kodakandla in Warangal district soon with the potential to create new livelihood avenues for about 20,000 weaving families in the area.

Announcing this, IT and Industries Minister KT Rama Rao said the decision was taken after taking into account all the necessary facilities required in the wake of Chief Minister K Chandrashekhar Rao's directions to ensure welfare of weavers in the State.

Addressing a review meeting here on Monday, Rama Rao said thousands of skilled weavers from Kodakandla had migrated to other States for livelihood, but were keen to return to their home town after witnessing the support being extended by the State government for the textile sector. "People especially weavers from Kodakandla have been wanting the mini textile park which will improve their livelihood opportunities in their home town. We will continue to extend further support to them," he said.

The Minister, who reviewed the progress of various programmes being implemented in the handloom and textile sectors, said all the welfare programmes being implemented for weavers will continue without any compromise. The State government will continue with the ambitious Bathukamma sarees production programme carried out on a large scale every year, especially to support powerloom workers in the State, he said.

Observing that the Nethannaku Cheyutha scheme had come as a major relief for weavers during the Covid pandemic and subsequent economic crisis, the Minister said with the State government giving exemption and allowing weavers to withdraw their savings along with the government contribution before the prescribed period, about 25,000 weavers' families had received a total amount of Rs 95 crore. He promised to take into consideration the requests

from weavers to continue the programme and take up the issue in the Cabinet meeting for necessary action in this regard.

Rama Rao sought a detailed report from the Textile Department officials to pitch for budgetary allocations for the textile and handloom sectors in the upcoming State budget for 2021-22.

Panchayat Raj and Rural Development Minister Errabelli Dayakar Rao thanked Rama Rao for his prompt response. Handlooms and Textiles Commissioner Shailaja Ramaiyyer and other officials participated in the meeting.

(Source: Telangana Today)

5. FLIPKART SIGNS MOU TO SET UP CENTRE OF EXCELLENCE IN LOGISTICS SKILL

Flipkart, e-commerce market place company, has signed an memorandum of understanding with the Logistics Skill Sector Council (LSC), an organisation set up by the Ministry of Skill Development and Entrepreneurship (MSDE) through National Skill Development Corporation of India (NSDC) and Karnataka Skill Development Centre (KSDC). As part of the MoU, Flipkart has launched an industry-first Centre of Excellence to build a skilled and trained workforce for the fast-growing e-commerce industry in India.

Spread across an area of 1,500 square feet, the CoE for e-commerce supply chain in Bengaluru hosts classrooms equipped with computers and projector-based learning for the all round development of the candidates. Being a frontrunner in e-commerce and supply chain, Flipkart has co-developed this extensive training module along with LSC & KSDC, to train candidates on the various nuances of storage and distribution, customer management, and material handling. Karnataka Kaushalya Mission, which is part of the Department of Skill Development and Entrepreneurship and Livelihood, Karnataka Government, and LSC is helping mobilise aspirants for the CoE. Amitesh Jha, Senior Vice-President and Head of Ekart, said, "As a leading e-commerce players in the country with an extensive supply chain, we understand the importance of having a trained workforce for the long-term sustainability of the logistics industry. We are also cognisant of our responsibility towards the workforce to create further employment opportunities and ensure career progression through such initiatives. This also ties into the sustained growth e-commerce has been witnessing in India, thereby creating thousands of job opportunities across specialities, including supply chain management. We are delighted to partner with Logistics Skill Sector Council and Karnataka Skill Development Corporation for this novel initiative and share our expertise towards building a dynamic learning module for the development of this sector."

(Source: Business Line)