

Textile Briefs

National

- ❖ The Federal Minister of Pakistan announced the five year textile policy which is expected to revive the textile sector in Pakistan, envisages enhancing the exports from the sector from the current US \$10 billion to \$25 billion within the next five years.
- ❖ Pakistan Hosiery Manufacturers and Exporters Association (PHMEA) have welcomed the initiatives recently announced in the Textile Policy 2009-2015. In the Annual General Meeting (AGM) of the association, PHMEA Chairman, Zia-ur-Rehman Chaudhry said the policy initiatives would help the apparel export sector to overcome its difficulties.
- ❖ Pakistan Agriculture Research Council (Parc) Chairman Dr Zafar Altaf said that a Chinese scientists' team would be arriving soon to help control Cotton Leaf Curl Virus (CLCV). On the occasion, Director General, Pest Scouting, Punjab gave presentation on the current CLCV situation and informed that 82% of cotton crop was currently hit by the virus in Punjab.
- ❖ President Asif Ali Zardari will shortly promulgate an ordinance to introduce the sowing of Bt cotton with a view to increase crop yield to cater to the textile sector's needs, said Textile Minister Muhammad Farooq Saeed Khan.
- ❖ Prime Minister, Syed Yousaf Raza Gilani, has not approved the provision of more concessionary financing to the textile sector in violation of the established market conditions. Presiding over a special Cabinet meeting to approve Textile policy 2009-14, the Prime Minister said the textile sector should be made self-reliant and not dependent on continuous cash support from the government.
- ❖ Towel Manufacturers Association of Pakistan Chairman Feroze Alam Lari has said the textile industry is going through a real tough time and buyers are delaying payments. In a statement, he said as the recession and its consequences were likely to continue, the State Bank should take a more pragmatic view and waive the condition of export proceeds altogether in its export finance policy.
- ❖ Towel Manufacturer's Association (TMA) has urged the government to disallow the export of coarse yarn to protect the country's towel manufacturing sector from decline. TMA said that the coarse yarn exports to competing countries in the world market, including China, Sri Lanka, Bangladesh and India, will drive the country's towel products out from the global competition.
- ❖ Foreign direct investment worth \$40 to \$50 million is expected to come in denim, polyester, fabrics, building materials and sports goods from South Africa. This investment prospect emerged after a visit of a 16-member delegation of prominent South African buyers, invited by the Trade Development Authority of Pakistan (TDAP). South Africa is potentially a vast market for Pakistani textiles and the visit of a special buying mission of importers is a prelude to the thriving bilateral trade relations between the two countries. This was stated by Dr M. H Perel, the leader of the South African buying mission.
- ❖ Syed Muhammad Asim Shah, Chairman of All Pakistan Bedsheet and Upholstery Manufacturers Association (APBUMA), said that export orders for garments for the Christmas season have dropped by 30% to 40% as the production cost has increased to 10%-15% rise in yarn prices.
- ❖ President Faisalabad Chamber of Commerce (FCC) Mian Hamid Javed has stated that the prevailing energy crisis has resulted in the deficiency of textile production. He said that owing to severe load shedding crisis in the country the industrial units could not survive in 8 to 10 hours load shedding for textile industry, as exporters have also been losing their businesses from 20% to 25 %.
- ❖ Pakistan is suffering \$6 billion export losses annually due to ongoing war against terrorism, said Syed Mohibullah Shah, Chief Executive, Trade Development Authority of Pakistan. He said that ISO certified export-oriented companies of Pakistan can be counted on fingers. He advised the exporters to develop the websites of their companies, which would only cost them few dollars but in return they would get the benefits in thousands of dollars.
- ❖ The government may miss the cotton target of 13.36 million bales for 2009-10 by about 1 million bales due the multiple attacks of pests' like Jassid, Mealy Bug, Army Worm and Curl Cotton Leave Virus (CCLV) on standing crop and the authorities are likely to spend Rs 15 billion on import to meet domestic needs, said Ex-Chairman Pakistan Cotton Ginners Association (PCGA) Chaudhry Mohammad Akram.
- ❖ The Pakistan Hosiery Manufacturers Association (PHMA) has demanded the government to restrict the export of raw cotton and cotton-yarn to countries competing with Pakistan's value-added textile products in the international market. The value added apparel exports are facing serious decline because of unrestricted export of Cotton and Cotton Yarn.
- ❖ Textile industry is keenly waiting for relevant notifications and SROs on recently announced five-year textile policy by the federal government. According to the textile circles, both the textile industry and exports were suffering badly in the absence of relevant business processes of textile policy initiatives.
- ❖ The profit after tax of Nishat Mills Limited has declined to Rs 1.268 billion in the year ended June 30, 2009 (FY09) as compared to Rs 5.857 billion earned in the corresponding period in FY08. The earning per share of the company reduced to Rs 6.81 in the period under review against Rs 36.86 per share in the same period a year back. ◆