

END SOPS SOON: US ■ WAIT TILL '18: INDIA Textile export subsidy under WTO scanner

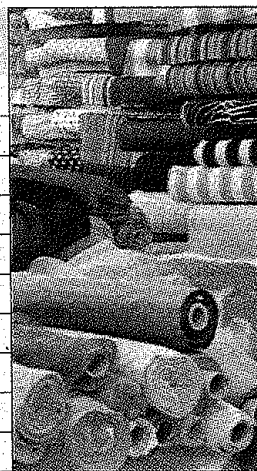
**Arun S &
Banikinkar Pattanayak**
New Delhi, Jan 2

AT a time when the textiles sector is reeling under liquidity crunch and poor demand, export subsidies for textiles and garments — the fourth-largest product group in India's outbound shipment basket — could soon be withdrawn if the country heeds concerns raised by nations, including the US and Turkey, at the World Trade Organisation (WTO).

According to the WTO's Agreement on Subsidies and Countervailing Measures, when the share of a developing country — with per capita income below \$1,000 a year — in global exports touches 3.25% in any product category for two straight years, thereby gaining "export competitiveness", it has to phase out export subsidies for the items eight years from the second year of breach. In case of nations with higher income levels, such

Clothing limit (Textile & garment exports, \$ bn)

	World	India	Share in global exports (%)
2004	453	13.5	2.97
2005	479	16.1	3.36
2006	530	19.5	3.68
2007	588	19.7	3.35
2008	618	22	3.54
2009	527	20.6	3.9
2010	602	23.9	3.96
2011	712	30	4.21
2012	707	29.1	4.11
2013	766	35.7	4.66



Source: WTO International Trade Statistics

subsidies are a strict no-no.

Countries like the US contend that India's "textiles and clothing" (T&C) exports first breached the threshold in 2005 and remained above the level in 2006 also and it should, therefore, end its export subsidies for these items by January 2015 (see table). India, however, cites the WTO rule book to counter this and insists it has time until January 2018 as the multilateral trade

body asked the country to consider phasing out the subsidies for T&C only in 2010.

The WTO rule book says: "Export competitiveness shall exist either (a) on the basis of notification by the developing country member having reached export competitiveness, or (b) on the basis of a computation undertaken by the (WTO) Secretariat at the request of any member."

■ Continued on Page 2

Textile export subsidy under WTO scanner

India offers export subsidies for T&C under certain heads such as the Focus Market Scheme, Focus Product Scheme (FPS), market-linked FPS, Export Promotion Capital Goods Scheme, interest subvention on pre- and post-shipment export credit as well as tax breaks for special economic zones.

India's textile and garments sector employ over 35 million people and accounts for over 12% of its total exports.

Sources said India has sought clarification from the WTO on the definition of "product" and the "applicable period of phasing out the subsidy" under the agreement. New Delhi believes that although as a category T&C may have exceeded the stipulated trade share level globally, many items within the group may not have attained export competitiveness, and, therefore, need continued support.

However, the sources said the

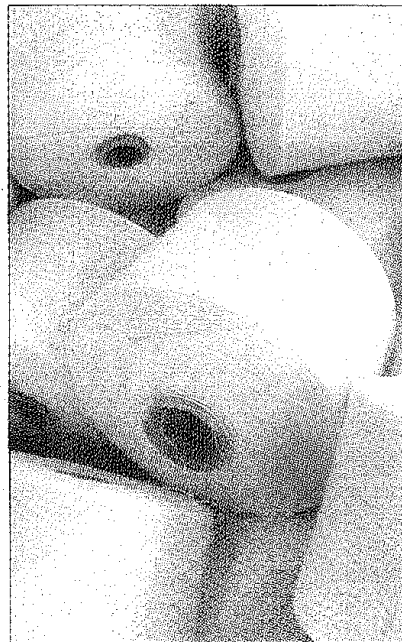
commerce ministry feels since the new foreign trade policy will be applicable for the 2015-20 period, export subsidies for the textile and apparel sectors should be phased out mid-way, and if possible, much before 2018. This is because India is keen on honouring its WTO commitments on subsidies. Meanwhile, the ministry wants the textile and garment sectors be given subsidies to incentivise production, rather than exports.

The WTO prohibits subsidies linked directly to exports, but it does not bar production-based subsidies. However, subsidies for production fall in the "actionable" category where the affected importing country can impose countervailing duties to offset the disadvantage to its local manufacturers due to the cheaper imported item.

However, since the general WTO norms permit import duty neutralisation for exports, the duty drawback scheme available for the sector will not be affected, the sources said. Moreover, schemes such as technology mission on cotton and the technology upgradation fund scheme are also unlikely to be hit as they are ultimately meant for incentivising production. "If the government decides to stop export subsidies completely in 2015 under international pressure, the textile industry will face serious trouble.

Already, even with a drop vis-a-vis last year, domestic cotton prices are still higher than the global levels, and producers are facing problems in passing on costs to consumers in many segments, as demand remains subdued," said DK Nair, secretary-general of the Confederation of the Indian Textile Industry.

Exports in many textile segments have been under pressure (Cotton yarn shipments dropped 16% between April and October from a year before) due to a poor demand from top consumer China, while the growth in cotton garment exports is also slowing.



Limited buying keeps cotton flat

Rajkot, January 2



Cotton price ruled unchanged as demand was limited. During this week, cotton lost ₹500 per candy of 356 kg. *Kapas* remained steady on normal buying activity. Gujarat Sankar-6 stood at ₹32,500-700 a candy. About 55,000 bales (of 170 kg) arrived in Gujarat and 1.80 lakh bales arrived in India. *Kapas* or raw cotton was ₹810-835 for a *maund* of 20 kg. Gin delivery *kapas* was ₹835-845. Cottonseed price was flat at ₹355-365. OUR CORRESPONDENT

stylo edia

CAN'T TELL A PETER PAN COLLAR FROM A WINGED COLLAR, OR A
SHIFT FROM A SHEATH? WE HELP YOU HONE YOUR FASHION
VOCAB BY DE-CODING POPULAR FASHION TERMS

ARGYLE SWEATER

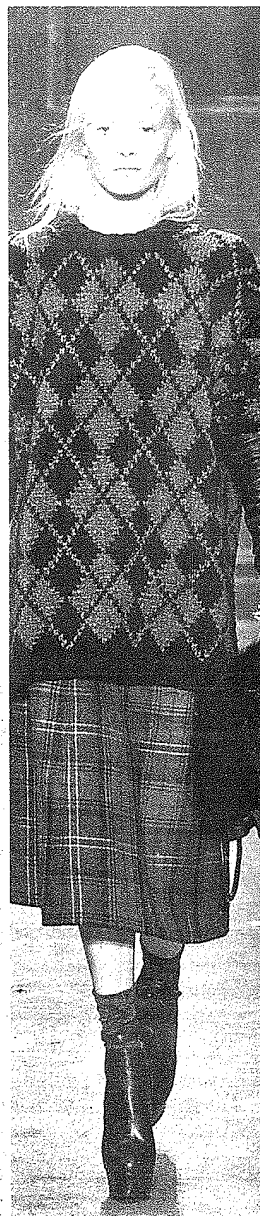
Argyle is a sweater print which is made of intersecting, diamond-shaped weaves. The pattern has a lot of variants depending on the distance between the geometric shapes and colours. The

Harlequin print, which consists of a repeated, equidistant and joint diamonds, is a modern translation of the Argyle.

STYLE IT RIGHT

You can ace the slouchy-sweater trend by incorporating this print. Pick up an oversized, knee-length pullover with the criss-cross Argyle pattern and pair it with snug-fit leggings, a beanie and the pullover. If you are heading for a date on a sombre winter's day, don't be afraid to still go for a grey and black classic combo, like this runway look. You can also add colour with a bright matte lip. Or, you can also take some travelwear celeb inspiration from actor Chloe Moretz and do fierce with the leather jacket.

TEXT BY SNIGDHA AHUJA



A Vera Wang runway look



Chloe Moretz

सूरजकुंड मेले में बनेगा वाई-फाई जोन

फरीदाबाद। दिल्ली के कनाट प्लेस की तर्ज पर 29वां सूरजकुंड अंतर्राष्ट्रीय हस्तशिल्प मेला-2015 भी वाई-फाई सुविधायुक्त जोन होगा। मेला घूमने आने वालों को यह सुविधा निशुल्क मिलेगी। हरियाणा पर्यटन निगम ने इसके लिए दूरसंचार कंपनी टाटा डोकोमो से हाथ मिलाया है।

भाजपा विधायकों को मिलेगी बात और काम करने की ट्रेनिंग

- आज से सूरजकुंड में आयोजित होगा प्रशिक्षण शिविर
- राजनाथ और सुषमा स्वराज करेंगे शिरकत

नेशनल ब्यूरो | नई दिल्ली

भाजपा, हरियाणा के अपने विधायकों को बात करने व काम करने की ट्रेनिंग देगी। दरअसल हरियाणा में भाजपा के अधिकांश विधायक पहली बार चुनकर आए हैं इसलिए पार्टी ने ऐसे प्रशिक्षण की आवश्यकता महसूस की है। यह प्रशिक्षण शिविर शनिवार से दिल्ली के करीबी

फरीदाबाद स्थित सूरजकुंड में दिया जाएगा। हरियाणा के विधायकों को ट्रेनिंग देने के लिए गृहमंत्री राजनाथ सिंह व विदेश मंत्री सुषमा स्वराज इस ट्रेनिंग कैम्प में आएंगी। भाजपा नेताओं के मुताबिक इस कार्यशाला में नव-निर्वाचित विधायकों को जनता व देश-प्रदेश के प्रति उनके कर्तव्यों एवं अधिकारों की जानकारी दी जाएगी। साथ ही उन्हें बताया जाएगा कि कैसे वे कानून के दायरे में रहते हुए अपने अधिकारों को इस्तेमाल कर सकते हैं। इसके अलावा उन्हें इस शिविर में मीडिया व आम जनता से वार्तालाप के तौर तरीके भी बताए जाने हैं।

इससे पहले प्रधानमंत्री नरेंद्र मोदी ने भी लोकसभा सांसदों के लिए इस प्रकार की प्रशिक्षण कार्यशाला का आयोजन किया था। सांसदों के लिए आयोजित की तीन दिवसीय

कार्यशाला भी सूरजकुंड में ही आयोजित की गई थी। विधायकों के लिए आयोजित कार्यशाला दो दिन चलेगी और इसमें पांच अलग अलग सत्र होंगे। सभी सत्रों को पार्टी के अलग-अलग नेता संबोधित करेंगे। पार्टी सूत्रों के मुताबिक ट्रेनिंग के पहले सत्र की शुरुआत केंद्रीय गृहमंत्री राजनाथ सिंह करेंगे। वहीं ट्रेनिंग के समापन सत्र में विदेश मंत्री सुषमा स्वराज भाजपा विधायकों को प्रशिक्षित करेंगी। इनके अलावा मुख्यमंत्री मनोहर लाल खट्टर और फरीदाबाद से सांसद व विदेश राज्यमंत्री कृष्णपाल गुर्जर समेत कई अन्य नेता भी इस प्रशिक्षण कार्यशाला में मौजूद रहेंगे। पार्टी के आमंत्रित नेताओं व विधायकों के अलावा इस शिविर में किसी अन्य व्यक्ति या नेता को आने की अनुमति नहीं होगी।

Govt to act against sale of fake Kullu shawls

PRATIBHA CHAUHAN
TRIBUNE NEWS SERVICE

SHIMLA, JANUARY 2

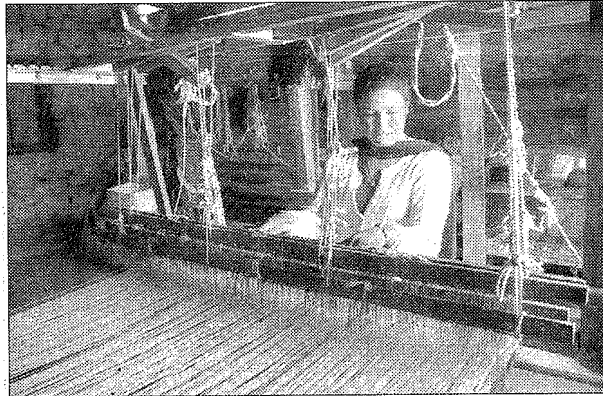
The state government has decided to take action against those selling Ludhiana-made products as genuine handloom shawls of Himachal.

Almost 80 per cent of the shawls being sold as Kullu and Kinnauri shawls in the market are actually made in Ludhiana factories.

This has made the government sit up and take note. "We have decided to take action and penalise those who are selling factory-made shawls as Kullu and Kinnauri shawls," said Industries Minister Mukesh Agnihotri.

He said since Kullu and Kinnauri shawls have GI registration, unauthorised use of the name for selling fake ones can invite strict legal action, including imprisonment.

"The very purpose of getting the GI registration for these shawls is defeated when cheap imitations are being sold. In the process, genuine weavers are not getting due for their crafts-



A girl weaves loom at Reckong Peo in Kinnaur district. PHOTO: AMIT KANWAR

Awareness drive soon

※ Kullu and Kinnauri shawls have GI registration. People don't know how to differentiate between a genuine shawl and an imitation due to lack of awareness. The Industry Department is planning an awareness drive

※ Almost 80% of the shawls being sold as Kullu and Kinnauri shawls are actually made in Ludhiana factories

manship," rued Agnihotri.

According to government estimates, nearly 15,000 weavers are making Kullu and Kinnauri shawls in the state. The turnover from the handloom shawl weaving sector is estimated to be about ₹250 crore annually. Himbunkar is the state-level body of weavers, a majority of whom are concentrated in

the districts of Kullu, Kinnaur, Shimla, Mandi, Kangra and Chamba.

In fact, Kullu shawl was the first product from Himachal that got registered under the Geographical Indications Act, 1999. It was much later that Kangra Tea, Chamba Rumal, Kinnauri shawls and recently the Kangra paintings got

registered under the GI Act.

There being little awareness about the GI registration, people do not know how to differentiate between a genuine shawl and an imitation, officials said.

Industries Department officials said they would launch a crackdown on those selling and producing these fake shawls in violation of the norms. They said there was a plan to educate people by launching an awareness drive. "We plan to educate people, especially tourists, about the GI logo so that they are not fleeced by shopkeepers in the name of a Kullu or Kinnauri shawl," he said.

In fact, barring a few shops and the government emporia, most places are selling imitations.

This is depriving actual weavers of the economic prosperity that they would have otherwise achieved.

There are thousands of weavers who are making these shawls at the looms installed at their homes in Kullu, Kinnaur and Shimla districts.

WEAVE WILL ROCK YOU

A new book by Jaya Jaitly delves into the ongoing churn of textile dilemmas in the world's oldest living city

By SHEFALEE VASUDEV
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European, British and American backpackers, Japanese or Korean Buddhists, students of religion and others who have simply been attracted by the idea of Varanasi's sacredness and antiquity often forget that antiquity itself is composed of many threads, influences, cultures, people and thought. The handloom tradition is one such important thread that should be woven into the entire fabric of this city," writes Jaya Jaitly, a crafts activist and politician.

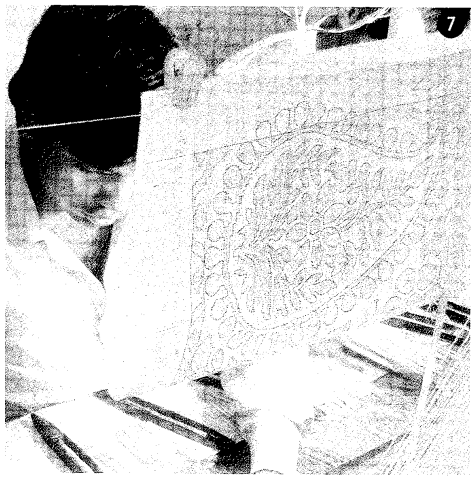
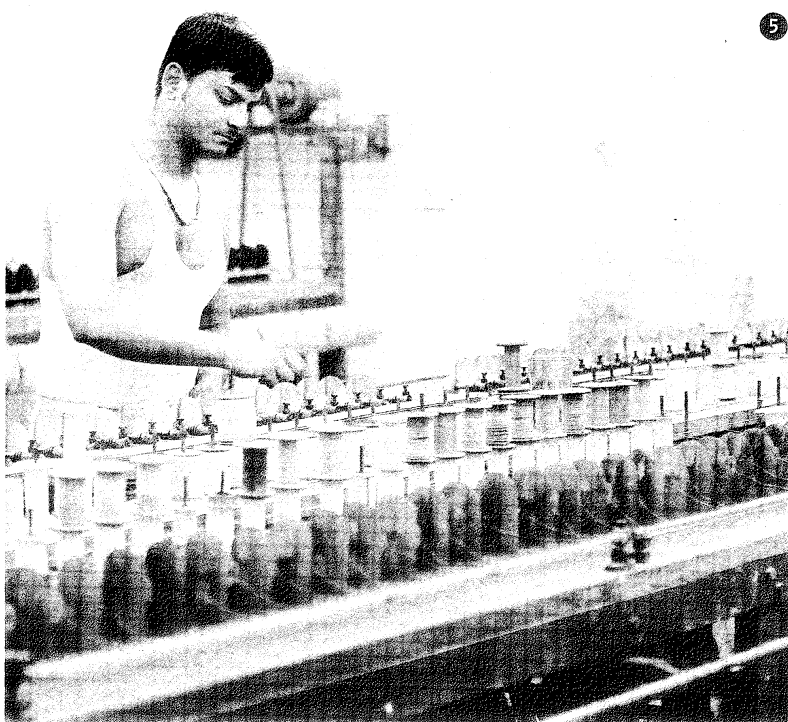
To those closely following India's handloom story, its confounding ups and downs, its economic challenges and issues of personal and professional identity for weavers, these lines—which appear towards the end of Jaitly's recently published book, *Woven Textiles Of Varanasi*—suggest that as a country we are still far from a forward curve in textile reinvention. That she draws a metaphor between the pollution of the Ganga and the pollution of the textile tradition threatened by global imitations (especially Chinese reproductions of Varanasi silk) further compels us to think. Must machine-based modernization, digital diligence and computer-aided textiles on the one hand, and tradition, antiquity, handmade yarn and employment hazards for weavers, on the other, be seen as stark opponents in a tale of sustenance? Must their unavoidable battle only mean the downfall of tradition? Why has talking about handlooms become a staple war cry?

Jaitly, founder-president of the Dastkari Haat Samiti which helps traditional weavers with innovative marketing strategies, has been visiting Varanasi for years. She says the book, which she began writing about two years back, is her "gentle cry" to sustain the textile tradition of Varanasi. "It's my way of conveying what can be done to uplift the weavers and sustain their work." She says she didn't want to make this a sad tome but wanted to give it the fluidity that history and the river Ganga have in their flow. She wanted to raise the concerns of weavers—the Banarasi brocade got Geographical Indication (GI) status in 2009 but remains the most widely plagiarized design and weaving vocabulary in India.

The book is filled with photographs. It has images of woven saris, from Jamdani to jacquard and tissue to brocade, including the *kinkhab* variety where motifs are embedded in a field of *zari* to replicate jewellery enamelling. There are photographs of *lehngas* and *lehnga* panels showing paisleys, peacocks, parrots and other traditionally common motifs, as well as poet-saint Kabir's poetry, recreated in the Devanagari script, on silks. The book meanders, quite like the Ganga, through multiple realities, history and the influence of Mughal rule. It reframes for us the idea of Varanasi, the oldest living city in the world, through textiles.

Besides oft-heard arguments about the condition of weavers that are inconsonant with the richness of the fabrics that they produce, there are some sparkling insights. For instance, that Varanasi textiles were even mentioned in the writings of Patanjali in the second century BC; they were referred to as the Kasika textile. Or, how the holy cloth called *gyaser*, used in Buddhist monasteries, was woven in Varanasi for centuries; selected local weavers still weave cloth with Tibetan symbols, borders and patterns for Buddhists around the world.

Books such as this compel us to ask why it has become imperative to find and strengthen new links of reinvention between textile traditions and the modern vocabularies of design and motif. Must modernization only mean the doom of weavers or are there bigger socio-political and technological solutions that haven't been explored? After all, Varanasi is no longer just an antique Indian city; it is the city from where Prime Minister Narendra Modi wove his electoral win. Can that help crack this complex dichotomy between old and new?



Warp and weft tales:

1. Cotton turban cloth with zari borders was woven on narrow looms.
2. A model wearing a contemporary Banarasi sari sits among Varanasi weavers and their families.
3. A bride wearing her grandmother's pink tissue silk sari for her wedding ceremony in the 1990s. The sari (inset) was woven in the late 19th century.

FAST FORWARD

What to expect in fashion this year

Indian fashion weeks complete 15 years, H&M is finally set to launch, the Victoria & Albert Museum's tribute to fabrics of India, the 'sharara' jumpsuit, Sock Shoes and a quirky take on the Kerala 'mundu'—10 highlights from the 2015 fashion book

BY SHEFALEE VASUDEV
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Fifteen candles

This year, the Lakmé Fashion Week (LFW) celebrates 15 years of India fashion weeks. For those who came late, the Lakmé India Fashion Week split in 2005 into the LFW (now held twice a year in Mumbai and organized by IMG Reliance) and Wills Lifestyle India Fashion Week (now held in New Delhi and organized by the Fashion Design Council of India). As the original, the LFW has the prerogative to celebrate this milestone. "The celebrations will include revisiting the memories and iconic fashion moments in this 15-year journey. Besides, we will have a showcase by industry veterans as well as one on LFW's discovery of GenNext designers," says Saket Dhankar, head of fashion at IMG Reliance.

Does this mean that the warring lobbies in Indian fashion will bury their hatchet(s)? If so, we will clap at least 15 times.

Telling it through fabric

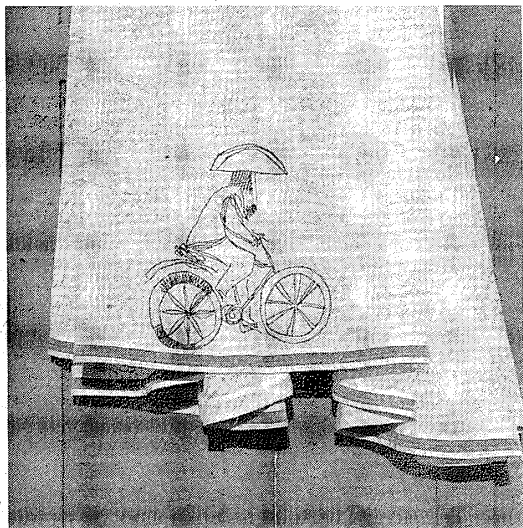
From October 2015-January 2016, London's Victoria and Albert (V&A) Museum will host an exhibition titled *The Fabric Of India*. The first such major exhibition, it will explore the layered stories of, and behind, India's handmade textiles. Curated through V&A's existent textile repertoire and those chosen from collections across the world, the exhibition will illustrate the process, history and politics associated with India's fabric legacy. Visit www.vam.ac.uk/content/exhibitions/the-fabric-of-india/ for stories of Indian artisans and craftsmen, their wares and world.

Hair and now style

"They will just have to get used to it," actor Sonakshi Sinha told her hairstylist, the Mumbai-based Kanta Motwani of Kromakay Salons, when the latter told her that Indian men weren't particularly fond of short hair. Snipping off her long locks and gamely challenging her "conventional Indian girl" image, Sinha Instagrammed her lovely short bob to the world. Indian female celebrities seldom experiment with their hair, so short hair remains the indulgence of the fashionably "incorrect". Sinha is a welcome exception. Raise a toast then to the short bob as the hairstyle of 2015—if you want a variant, try Anushka Sharma's cropped version in PK.

H&M, finally

H&M (Hennes & Moritz Ab), the Swedish multinational clothing



company that reportedly drives one of the highest fast fashion sales in the world, is set to launch in India this year. The launch is slated for the latter half of the year, with the brand's Fall/Winter collection. There is talk of multiple entries in malls across the country.

Eat your shoes

Edible to look at, fruity smooth to wear and fluorescent in colour and personality, Melissa shoes—flats, wedges, chunky heels, jelly shoes by the Brazilian brand—will launch in India with a Spring/Summer 2015 collection called *Eat My Melissa*. It underlines the brand's Aranha model (spider in Portuguese) from 1979, recreating the original shape inspired by the sandals worn by fishermen of the French Riviera. It will include new models signed on by designers like Karl Lagerfeld, Jason Wu and Vivienne Westwood, who are design partners with the brand.

Face of the year

Stunning faces and bodies may crowd the world of glamour and fashion but our bet is on actor Nimrat Kaur as the face of the year. Steely and self-assured, attractive in an empowered way, the once upon a time magical cook and housewife in *The Lunchbox*, the 2013 film, is now the face of a new Titan ad underlining the single woman's undeterred aura. Kaur, who also played Tasneem Qureshi, an ISI agent, in the fourth season of American TV series *Homeland*, illustrates how a woman who knows her mind frames glamour in a unique way.

Socking summer

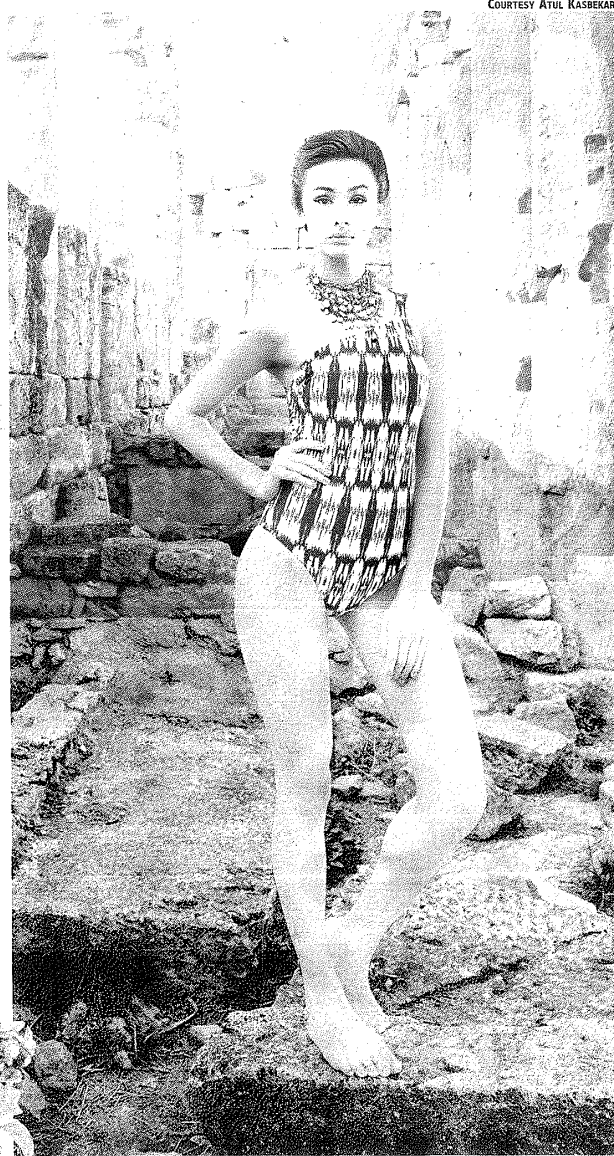
For her Spring/Summer 2015 collection, called *Good Luck Irani Café*, designer Nida Mahmood has interpreted the Irani cafés of the 1940s and 1950s. A psyche-

AFP



Author of the 'sharara' jumpsuit

Varun Bahl completes 10 years as a designer in 2015. Bahl has been working assiduously to separate the artistic and the commercial



Look book: (clockwise from top, left) An ad for www.melissa.com showing a model wearing the 1979 model of Aranha shoes that will launch in India soon; Aastha Pokharel, winner of Kingfisher Supermodels 2; a Sock Shoe look from Nida Mahmood's Spring/Summer 2015 collection; Varun Bahl's Trouser Sari; Sonakshi Sinha sets the hair trend; a Kerala mundu by Sreejith Jeevan; and Bahl with Priyanka Chopra at LFW's Winter/Festive 2014 edition.

in his mind and his brand, learning how to keep them apart or bring them together when needed. His elegant silhouettes, dexterous use of lace, clever mix of vintage and contemporary, inclusion of black in bridal wear and fascinating use of apple and moss green, make him the couturier to watch out for this year. Creator of the Sari Trousers in 2014, Bahl wants us to stand by for the *sharara* jumpsuit that will walk the ramp as part of his next couture collection, to be shown in the latter half of the year.

Kerala tourism? No, thank you

Kochi-based designer Sreejith Jeevan, one of LFW's most

promising discoveries last year, has designed a collection from Kerala *mundu* fabric as part of his brand Rouka for "the artsy tourist". It includes shirts, tops, lungis and tunics.

"Called *Going Home*, it is inspired by what Malayalis do when they come home to Kerala," says Jeevan. Unlike the snake boats and Kathak dances promoted by Kerala Tourism, Jeevan's white cotton pieces with the "kara" border have black arty embroidery motifs, evoking a sense of Kerala without the clichés—village walks, the toddy tapper, street food, a Malayalam blockbuster. The collection will be retailed later this month at the Pepper House at Fort Kochi, now an art residency and one of the main venues of the ongoing Kochi Biennale.

The long legs

Calendars may have become discreet and digital, but calendar girls still grow the longest legs in the glamour business. What's a new year without a bevy of beautiful models on glossy paper? Two cheers then for Aastha Pokharel, the winner of this year's *Kingfisher Supermodels 2*, a reality TV show that airs on NDTV Good Times. And the third for Atul Kasbekar, the lensman with a glamorous eye and a long-time *Kingfisher* loyalist, for giving the Nepalese stunner a quiet simmer sans come-hither coquettishness.

For legs though, our vote goes to the Coorgi Dayana Erappa, one of the other four girls on the calendar.

"It's the best edition so far," says Kasbekar, explaining why photography essentially feeds on location—he considers Cappadocia, Bokrum and Pamukkale in Turkey, for instance, as pristine ideals to offset skinny prettiness.