



## ITS RAINING INVESTMENTS IN TAMIL NADU

### Garment Mantra Lifestyle Plans IPO

Garment Mantra Lifestyle Ltd (erstwhile Junction Fabrics & Apparels Ltd) is planning to raise funds through a rights issue and Initial Public Offer.

Rights Issue Board has considered the fund raising by way of an issuance of equity shares on a rights basis upto Rs 48 crores subject to receipt of necessary approvals from regulatory authorities. Initial

Public Offer Board has also considered the fund raising options

in the wholly owned subsidiary and agreed that the company will also explore the fund raise through Initial Public Offer of its subsidiary "Jannat Fabrics and Apparels Private Limited."

According to Managing Director, Mr Aggarwal: "The garment industry is doing really well in the domestic and international markets. To grab more opportunities, and to cater to more geographies, the company will need more funds. Peak season is around the corner, and we need

to be ready with quality products. We plan to use the raised funds majorly in business growth and working capital requirements.

The company's manufacturing facilities are situated in Tiruppur. The company's complete range consists of about 5,000 products and are mainly targeted to mass customers, which constitute around 70% of domestic population. The company's products are available pan-India through a vast network of wholesalers and distributors. ●

TN  
Calling

# Textile Units In Tiruppur Plan Investments

A few industrial groups in Tiruppur have planned investments in textile related activities and in energy sectors.

A couple of companies signed Memorandum of Understanding (MoU) at the Global Investors' Meet (GIM) held recently in Chennai.

The Ramraj Group signed an MoU with the Tamil Nadu government at the GIM 2024 to invest Rs 1,000 crore over the next five years. Founder and Chairman of Ramraj Cotton K.R. Nagarajan said the group plans to invest Rs 200 crore a year to set up textile processing, weaving and spinning units. At the end of five years, the investment will create 5,000 jobs.

"We make several products. The investments will be spread across different districts based on the strong textile activity in that district. We are creating capacities across the textile supply chain. Works have commenced for some of the projects," he said.

According to A. Sakhivel, Chairman of Poppys Group, it will set up a grain-based ethanol plant at Cheyyar at an outlay of Rs 300 crore, providing direct and indirect employment to 500 people. The group signed an MoU with the Tamil Nadu government at the recently-concluded GIM. The plant will have a capacity to produce 200 kilo litres of ethanol a day. The grains will be sourced from other states too. It was decided to locate the plant at Cheyyar for easy access to the oil marketing companies. The plant is expected to be commissioned by mid-2025, he said.

Jeyavishnu Clothing, which is part of KM Knitwear Group, is investing Rs 330 crore in textile spinning and processing segments. Almost 90 % of the works are over and when commissioned, the project will generate over 2,500 jobs, said K.M. Subramanian, founder and chairman of the group.

Similarly, SCM Garments is investing Rs 500 crore over five years, generating 9,300 jobs. It will set up new garment factories, install solar and wind energy plants, and expand its existing garment factories. These facilities will be at Tiruppur, Coimbatore, Erode, Karur, and Tiruchi.



R.S. JALAN, Director, GHCL Textiles

# GHCL Textiles Ltd. Signs MOU For Investing Rs 535 Cr In Tamil Nadu

GHCL Textiles Ltd., a leading manufacturer and supplier of value-added cotton and blended yarns, has signed an MOU with the Government of Tamil Nadu for an investment of Rs 535 crore on 8th January, at the Global Investors Meet 2024. The MoU was signed in the presence of Tamil Nadu Chief Minister M K Stalin, senior ministers, and officials of the Government of Tamil Nadu.

GHCL Textiles was represented by R.Balakrishnan, CEO and N.Rajagopal, Sr.GM (Technical). The MoU entails investments for capacity expansion as well as investments in renewable energy in Tamil Nadu.

Once implemented, GHCL Textile's total investment in the state will be over Rs 1035 crore and its renewable energy portfolio will expand to 75 MW. Commenting on the investment, R S Jalan, Director, GHCL Textiles said: "It is our honour to be a part of the state and India's growth journey. These investments are in line with our promise to consistently deliver value for our stakeholders through sustained expansion in earnings. Over the next four years, the investments will be used for capacity and product basket expansions, vertical integration of textile manufacturing to include knitted and woven finished fabrics as well as the enhancement of Green energy portfolio. Thus amplifying our value added product basket, accelerating growth and positioning us among the top-tier industry leaders."



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Corporate News



SHRENIK PATIL, Director, ITPL

## ITPL Expands Capacity, Installs 10 New Tsudakoma Airjet Looms

Ichalkaranji Textiles Private Limited (ITPL), Ichalkaranji based manufacturer and exporter of terry towels, recently expanded its operations. The company has recently installed 10 Tsudakoma ZAX-9100 terry air jet looms.

ITPL is one of the leading manufacturers and exporters of terry towels, bath robes, terry garments, bed linen, kitchen linen and bath sets. The company focuses on value addition through design and quality. And currently exports to the US, UK, Canada, Panama, Australia, Cyprus and Israel.

“We lay a special emphasis on the quality of products and designs. ITPL has the entire range of manufacturing under one roof covering all aspects of production from weaving to finishing. We plan to further expand our global footprint with the current expansion,” said Shrenik Patil, Director, ITPL.



## Arvind Ltd. Signs MoU With Indian Navy

Arvind Limited has signed an MoU with the Indian Navy, introducing an innovative white fabric set to redefine uniform standards. This collaboration aims to enhance comfort, durability and whiteness longevity to multiple washes, reflecting Arvind’s commitment to advancing textile technology. The new fabric, a testament to Arvind’s dedication to quality, signifies a pivotal step in elevating the performance and resilience of naval uniforms, ensuring utmost comfort for the brave men and women in service.

## High Performance Textiles Gets Indian Patent For Savesplash Fabric

High Performance Textiles has been granted an Indian patent for its Arc flash-rated fabric, “Savesplash.” This fabric is inherently flame-retardant in nature and designed to provide protection against arc-flash thermal hazards. This can be used to make gloves, balaclava, workwear, sleeves, apron and can be manufactured in various colours such as blue, black, maroon to name a few.

## NCFA Signs MOU With SASMIRA

Non-Conventional Fibres Association (NCFA) has entered into an MoU with Synthetic and Art Silk Mills Research Association (SASMIRA) to promote the use of sustainable, non-conventional fibres.

The MoU with SASMIRA will focus on utilising SASMIRA’s R&D support for the development of various non-conventional fibre products, processes for the textile and apparel industry.

The TRA is already involved in a number of R&D projects sponsored by the Ministry of Textiles, Dept of Science and

Technology, KVIC, Central Silk Board, and industry too. It is also the CoE for Agrotech. SASMIRA testing laboratories are A2LA and NABL accredited.

**The areas of collaboration identified by the two agencies include:**

- Joint training programmes
- Joint seminars, conferences
- Collaborative R&D projects
- Joint consultancy programmes
- Sharing of testing and product development facilities, sourcing of non-conventional fibres from different parts of the globe
- Knowledge/information sharing



(L) Dr Ashok Tiwari, Senior Director, SASMIRA and (R) Aditya Mody, President, NCFA exchange documents as (L) Ravi Singh, Assistant Director, SASMIRA and (R) Dr. G. S Nadiger, General Secretary, NCFA look on.

Corporate News



## Jumac Appreciates Shiplu Textiles And Spinning Mills, Bangladesh

Jumac has been a dedicated technology partner to Shiplu Textiles and Spinning Mills, Bangladesh. Shiplu is one of the largest producers of spun yarn for the knitting and weaving industry of Bangladesh. With 48,000 spindles and 1920 rotors, the company offers a diverse product line to fulfil demands of customers worldwide, and has a Jumac setup for their ring spinning and open-end spinning projects. Jumac is a leading manufacturer of spinning cans and accessories for the spinning sector.

“We are thankful to MD & Owner Chandan Saha for spinning success stories with us for five years and counting,” said Himanshu Fogla, Director, Jumac Manufacturing.

## Birla Cellulose’s Kharach Unit Successfully Achieves EU BAT

Birla Cellulose’s Kharach plant in Gujarat has successfully commissioned CAP (Carbon-disulphide Adsorption plant) CS<sub>2</sub> recovery system from exhaust gases and has achieved EU BAT status. Closed-loop technologies have been deployed to minimise CS<sub>2</sub> and H<sub>2</sub>S (Hydrogen Sulphide) emissions by recovering CS<sub>2</sub> and elemental sulphur from H<sub>2</sub>S. The target to recover 90-95% of sulphur has been achieved.

This development was further validated through an independent assessment conducted by BluWin Ltd., UK for all the parameters as stipulated in EU BAT BREF for viscose fibre manufacturing.

H K Agarwal, MD Grasim Industries & Business Director, Birla Cellulose said: “This is a noteworthy milestone in line with global best practices and a step forward towards achieving global leadership in sustainable practices in the MMCF industry.” Birla Cellulose’s Vilayat plant, which is one of the largest VSF producing sites in the world is already EU BAT compliant site, setting global benchmarks in many parameters such as sulphur recovery and water consumption for fibre production.



**PAWAN KUMAR GOLYAN**, Founder, Reliance Spinning Mills

## Nepal’s Reliance Spinning Mills Ltd. Plans IPO

The Securities Exchange Board of Nepal (SEBON) has approved the IPO proposal of Reliance Spinning Mills Ltd. to issue shares through the book-building method. The proposal was submitted on Ashad 31, 2079 in SEBON, and received the green light after a hiatus of almost 18 months. Book building is the process by which an underwriter attempts to determine the price at which an initial public offering (IPO) will be offered. While 40% of the shares will be sold to Qualified Institutional Buyers (QIB), 60% will be issued to the general public.

The company has proposed to issue 19.26 lakh units out of which only 40% i.e. 7,70,640 shares will be issued to Qualified Institutional Investors and the remaining 60% i.e. 11,55,960 units are reserved for the general public.

As per the preliminary bid submitted by the QIB, the minimum price stood at Rs 608 per share. Based on this, the base price stood at Rs 760 per share. However, the company can issue shares up to 20%

higher than the base price i.e. Rs 912 per share to the QIB. And whatever, the minimum cut-off rate by QIB would be, the general public will get a 10% discount price from the company.

In cases where investors bid above the base price but do not receive shares, there will be a three-day window to refund the excess amount with interest or make necessary account adjustments.

After Sarbottam Cement Limited, this will be the 2nd company to issue an IPO under book building method in Nepal.

Reliance Spinning Mills Pvt. Ltd. is one of the largest textile manufacturers in Nepal, with an employee strength of 4300. The company manufactures polyester, viscose, and acrylic yarn of international standard that is then exported worldwide, primarily to India and Turkey. The company has two manufacturing units located at Khanar, Sunsari, and Duhabi, Sunsari, Nepal. The total installed manufacturing capacity of the company is 40,680 MT per year as of mid-July 2021.





**BUI DUC THINH**, Chairman of the Board of Directors of Song Hong Garment

## Vietnam's Song Hong To Build Largest Apparel Factory As Markets Expected To Improve In Next Few Years

Vietnam's Song Hong Garment Company, on the occasion of its 35 anniversary, officially launched the construction of the second Song Hong-Xuan Truong factory in Nam Dinh Province.

This is the largest factory in Song Hong and one of the largest factories in Vietnam's textile and apparel industry. The Song Hong-Xuan Truong 2 factory covers an area of nearly 9.6 hectares, including three workshops, a warehouse and cutting workshop, an office building, infrastructure and workshops, greenery, and lakes.

The factory has a scale of 50 export sewing lines and produces a wide range of products ranging from clothes,

dresses, jackets to many other apparel products. The total investment in the project exceeds VND 700 billion, and after it is put into operation, it will help the company increase its revenue to VND 6,500-7 trillion.

"After it is expected to be put into operation at the end of 2024, the factory will create jobs for approximately 3,000 workers, bringing the company's total number of employees to 15,000. Expanding and building more factories are investment initiatives taken by Song Hong in anticipation of market recovery in the next few years," Bui Duc Thinh, Chairman of the Board of Directors of Song Hong Garment said.

## Mitsubishi Chemical Sells Indonesian PTA Business To Lintas Citra Pratama

Mitsubishi Chemical Group Corporation has recently announced the decision to transfer shares of its subsidiary, PT Mitsubishi Chemical Indonesia (MCCI). The shares will be transferred to PT Lintas Citra Pratama, a company with plans to commercialise paraxylene, a key raw material for pure terephthalic acid (PTA) in Southeast Asia.

## China Issues 19,834 Certificates Of Origin Under RCEP Framework In November

A total of 19,834 certificates of origin involving US\$ 568 million were issued under the Regional Comprehensive Economic Partnership (RCEP) free trade agreement by Chinese authorities in November, according to official data.

The number of certificates of origin marks a year-on-year growth rate of 20.83%, Zhang Xin, spokesperson of the China Council for the Promotion of International Trade, said. The certificates were issued to 3,434 enterprises last month, up 12.41% from a year earlier, according to Zhang.

The certificates are expected to reduce tariffs by US\$ 9 million for Chinese products in RCEP importing countries, Zhang said.

## Rongsheng Petrochemical Subsidiary To Invest 67.5 Bln Yuan To Build Jintang New Materials Project

Rongsheng Petrochemical announced that its wholly-owned subsidiary plans to invest in the construction of the Jintang New Materials project, with a total expected investment of 67.5 billion yuan. This project aims to extend the downstream industrial chain of Zhejiang Petrochemical and Zhongjin Petrochemical. On the same day, the company also announced the signing of a Memorandum of Understanding with Saudi Aramco.

The memorandum shows that the two parties are discussing the company's planned

acquisition of a 50% stake in Saudi Aramco's Jubail Refinery Company, and the expansion of capacity, improvement of product flexibility, complexity, and quality through expansion. At the same time, the two parties are also discussing potential acquisitions of up to 50% of the shares of Ningbo Zhongjin Petrochemical Co., Ltd. by Saudi Aramco, and joint development of the upgrade and expansion of Zhongjin Petrochemical's existing facilities, as well as the development of the downstream Rongsheng New Material (Zhoushan) project.

Government Support



NITIN GADKARI, Union Minister

# Rs 1,132 Cr Road Connecting Mizoram With Myanmar To Be Completed By November: Nitin Gadkari

Union Minister Nitin Gadkari on Monday announced that a cross-border road, part of the Kaladan Multi-Modal Transit Transport Project (KMTP), connecting south Mizoram's Lawngtlai district with Myanmar's Sittwe port, will be completed by November this year.

Gadkari, during a rally in West Phaileng, Dampa assembly constituency, located in west Mizoram's Mamit district bordering Bangladesh, said that the 26-kilometer road project is estimated to cost Rs 1,132 crore. "The road under the Kaladan project will be completed by November and it will be helpful to connect Myanmar's Sittwe port," he said.

Rs 20,000 crore road project to connect Mizoram to Nagaland and Manipur

The Union Minister addressing the rally for the Mizoram assembly elections scheduled for November 7, announced a significant road project costing Rs 20,000 crore. This project will connect Mizoram with the neighbouring states of Nagaland and Manipur in the northeastern region, as well as with the international boundary of Myanmar.

He said that when he assumed the role of Road Transport Minister

in 2014, the total length of national highways in India was 986 km. By 2023, this figure has grown to 1,478 km, indicating a significant expansion and development of the national highway network during his tenure.

Gadkari further said that around 355 km of road construction, costing Rs 8,000 crore, has been completed in Mizoram after he took charge of the Ministry of Road Transport and Highways. He also said a 373-km road project between Aizawl and Tuipang in the southern part of the state would be completed by June next year.

Rs 7,361 crore project to connect six districts of Mizoram

The Union Minister said that the Rs 7,361 crore project aims to connect six districts of Mizoram, including Aizawl and Serchhip, while also linking with Myanmar. This connectivity is expected to boost the economy, trade, and generate employment opportunities in the region.

The Centre will construct Aizawl bypass road at the cost of Rs 2,500 crore to solve traffic snarl in the state capital, he said, adding that the project, which covers a length of 35 km and 2.5 km of tunnel, is scheduled to be completed by December 2025.



Government Support

# DPIIT Secretary Signals Move Towards Lower Customs Regime



**RAJESH KUMAR SINGH**, Secretary, Department for Promotion of Industry and Internal Trade (DPIIT)

India will have to eventually move to a lower customs duty regime and cannot continue to protect domestic manufacturers by citing infant industry argument Rajesh Kumar Singh, Secretary of the Department for Promotion of Industry and Internal Trade (DPIIT) stated.

The official emphasised that tariffs are not primarily viewed as a revenue source. "The DPIIT's view is that there are possibilities of using tariffs creatively to protect some of our industries, particularly when they are subject to predatory pricing or dumping from certain geographies,"

he said.

He further added, "While there is a need to protect sectors which are weak, there is no need to continue with the high tariff walls for segments that are doing well."

"But I think, over time, we will have to move to a lower tariff regime overall. The Basic Customs Duty (BCD) will have to start coming down," the Secretary mentioned.

These remarks hold significance as certain experts suggest that India should reduce its import duties to integrate with global value chains.

# Commerce Ministry Seeks Exporters' Inputs On Reducing Compliance Burden



The Commerce and Industry Ministry has asked export promotion councils and other industry bodies to give specific inputs on measures to reduce regulatory compliances and streamline processes further and also share recommendations on decriminalisation, sources have said.

This is in line with the government's stated policy of improving ease of doing business and working continuously to reduce compliance burden for a conducive business environment.

Once the government receives

inputs and processes them, the policies and the procedures will be modified accordingly, it is learnt. According to one EPC, "We are giving our suggestions on what processes can be further simplified. We are identifying areas where you can go for self-certification and where you can go for lesser documentation."

Changes can also be made to the Foreign Trade Policy 2023 based on inputs as amending the policy is now a continuous process and not an annual one.

## FOR MANAGEMENT UPDATES

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The Corporate Life

