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Message from the Central Chairman, PRGMEA

Sajid Saleem Minhas

“PRGMEA Plus is a joint effort of the North and South Zones of PRGMEA”



Trade from East to West

The prospects that trade will open up from East to West makes 2013 a special year for the RMG industry. It will either be a watershed year in growth of the garment industry of Pakistan or it could be the most disappointing yet. I am not making this up— Just imagine, free trade with India, GSP plus with EU and low tariff access to China for category 61 and 62. A market of close to two and half billion people is opening all at the same time. Can it get any better?

Let us start off with doing trade with India

We just seem to lose sanity whenever this topic is discussed by taking extreme positions. The Government wanted to bulldoze through all opposition to trade with India and was literally ready to grant MFN status to India not realizing that the only current frame work that this can work under the SAFTA agreement, which is essentially a free trade agreement. So from nothing to everything. This is indeed a very haphazard way of making policy which is bound to fail. When the agriculturists woke up, they decided that this was not working and nothing should be granted to India on trade. Soon enough our own Ministry of Textile had its own reservations on trade with India and as a result the MFN status was delayed. Further the skirmishes on the LOC broke the momentum.

We need to take a middle position on this issue. Let us start on bringing down the tariffs to normal levels. Currently a pair of jeans fetches about 84% import duty – all in – when exported to India. Can we bring it below 20% at least? Then there is intra-industry trade in raw and semi – finished goods that can be started. With movements in these we should be able over time graduate to free trade some day.

GSP Plus

To begin with we keep hearing about compliance to the 27 conventions that will make or break this accord. The first step is to know if we have signed these or not. Some say we have others say there are a couple that we have not even signed to as yet. Let us assume that we have signed them. Does this do the job? No. Thereon is the question about the will to implement these and the tangible proof of progress before we can expect all 27 EU members to vote in our favor. This number 27 is quite annoying as even if one is missing – the conventions or the EU voting members- we are out. A big task for the Ministry of Commerce at time when the Ministry of Textiles feels left out. Talk about cohesion in our ranks. The Government however is optimistic that the job will get done. Skeptics say - no chance. Verdict - probably in October if the application is submitted on time.

Lastly FTA with China

FTA with China is indeed a big boost for the RMG industry especially for fabrics and trims. However with the current state of the Chinese currency it seems that our industry could actually export finished goods as well. However, it became clear that our negotiators had conveniently left out of the FTA items falling under Chapters 61 & 62- the main exports of our industry. All - it is said -on the insistence of the Chinese. We have been promised that this will be taken up in the next round of discussions and the objective is to get us down to the level of ASEAN countries tariff slab. Let us hope that this next round of talks is done in 2013 as for one reason or another it has been delayed for the last ten months.

Message from the Chairman (North Zone), PRGMEA

Mir Muhammad Farooq Meyer



It is with a great sense of satisfaction that I write this message for PRGMEA Plus, the magazine that represents the voice of the Readymade Garments Manufacturers' and Exporters' Association.

Publication of PRGMEA Plus was being done regularly for a number of years. It achieved a high standard and was well received within the Industry itself, sister organizations of the Textile Industry, and by the Ministry of Textile. The Ministry of Foreign Affairs had in fact appreciated it and had requested for a large number of copies of PRGMEA Plus so that these could be forwarded abroad to all the Pakistan Embassies.

PRGMEA Plus is now re-commencing publication. To make this a success, all members are requested to contribute written articles, memos, notes, or information of interest. In contributing to the magazine we play an active part in its success.

As Chairman PRGMEA (NZ), my good wishes and support, as also that of all ZMC (NZ) Members, will always be there for its success.

Message from the Chairman (South Zone), PRGMEA

Shaikh Shafiq Rafiq

It gives me immense pleasure to know that Pakistan Readymade Garments Manufacturers & Exporters Association (PRGMEA) has recommenced the publishing of PRGMEA Plus magazine.

The Association has always highlighted the potential of Pakistan's Garment sector through meaningful and well researched publications on various trades' related issues; this is the reason PRGMEA employs full time research personnel in both the zones. We firmly believe in applied research which should lead the policy makers, the industry and all the stakeholders in the right direction.

This publication is in line with PRGMEA's mission to monitor exports, provide knowledge and support to our members in the areas of potential markets, events, latest trends, forecasts and to highlight the importance of our garment sector in Pakistan's economy. I hope that both the zones of PRGMEA and their respective members will contribute enthusiastically to this publication and would take full advantage from this information dissemination activity.



The Central Chairman, Zonal Chairman (North Zone), members of Managing Committee and the team of PRGMEA Plus deserve my compliments in taking this step, which will go a long way in facilitating garment trade and I wish them success.

PRGMEA conducts Fire Safety Workshop with WRAP

Vision of Fire Safety courses:



Accordia Global Compliance Group Presents

WRAP's Fire Safety Training Course In Collaboration with PRGMEA

Date: Dec 18, 2012

Pakistan Readymade Garments Manufacturers & Exporters Association

According to the Chairman of Prgmea, by the end of the Feb 2013, fire safety programs will be shifted to Pakistan Readymade Garment Technical Training Institute (PRGTTI), Lahore as a permanent feature for training around the year. These courses will be highly beneficial to the industry by providing essential education on creating safe working conditions in export-oriented production units. These sessions will focus on fire prevention and will cover a range of topics including Pakistani fire laws, fire safety & protection, fire spread & combustion, routine fire prevention measures, effective response during fire, and risk assessment.

The Pakistan Readymade Garments Manufacturers and Exporters Association (PRGMEA) in collaboration with the Worldwide Responsible Accredited Production (WRAP), the world's largest independent, facility-based social and environmental compliance certification programme in the sewn manufacturing sector and Accordia Global Compliance Group has launched a one-day workshop to enable the whole textile value-added sector to get certified with the social and safety compliance so that Pakistani exports to the USA and European Union may not be affected. The day-long training programme was held on **December 18, 2012 Tuesday at PRGMEA (North Zone) Lahore office.**

The officials from I 122 and Civil defense, Ministry of Textiles, International Labour Organization (ILO), Department of Labour were invited on the Certificate Distribution Ceremony. This is the first time when an international training workshop addressing the crucial industrial needs of fire safety and risk assessment is being organized in Pakistan by WRAP. **Saifullah Khawaja, Director of WRAP's Bangladesh Liaison Office, was the lead trainer in the workshops.** WRAP's President and CEO, Avedis Seferian also conducted a portion of the day-long training session through webinar arrangement. Tailored to the specific risks and fire safety legislation in Pakistan, the workshops covered aspects related with fire safety & protection, fire spread & combustion, routine fire prevention measures, effective response during fire, risk assessment, coupled with workable models of evacuation, including fire drills and pre-planning.

This is the first time when an international training workshop addressing the crucial industrial needs of fire safety and risk assessment is being organized in Pakistan by WRAP.

PRGMEA Central Chairman Sajid Saleem Minhas in his opening remarks said that there is need to change the mind set as importance of fire and safety cannot be overlooked. He also added that with a view to avoid such incidences in future, the focus of the industry should be the implementation of fire and safety rules and regulation by taking adequate measures for ensuring safety of their workers at their facilities to comply with the social and other requirements of their foreign buyers. He also mentioned that Association is endeavoring to ensure hundred per cent safety compliance and avoid any untoward incident. The safety training courses will remove the concerns of our international buyers on fire incidents and poor infrastructure of some industrial sectors in Pakistan.

He said that PRGMEA – ACCORDIA - WRAP offered fire safety training courses first in North Zone's Lahore office and later in Karachi in December 2012. In this way Pakistani exporters can satisfy international buyers that strong measures are being taken to avoid fire tragedies in future, he pointed out.

Glimpses of WRAP's and PRGMEA's Fire Safety Training Course





ESPIRE

Project *ESPIRE* makes SME's Energy Efficient and Green

The ESPIRE project builds on the increasing awareness, helping SME's in implementing Energy Management Systems to bring about millions of rupees worth of annual savings!

About Project Espire

Project ESPIRE was started by the Vocational Training & Development Centers of the Bavarian Employers' Association (bfz) gGmbH – one of the largest private providers of vocational training in Germany. They conduct development cooperation projects on behalf of World Bank, European Union and the German government.

In Pakistan **bfz gGmbH** is cooperating with **PRGMEA**, Pakistan Hosiery Manufacturers Association (PHMA), Towel Manufacturers Association of Pakistan (TMA), Federal B Area Association of Trade and Industry (FBATI), North Karachi Association of Trade and Industry (NKATI), (KATI) and SMEDA.

Project ESPIRE – a cooperation project of bfz gGmbH (Germany) with PRGMEA, PHMA, SMEDA and other Pakistani business associations allows small and medium sized enterprises (SMEs) to save **9%** of their energy costs with investments that pay back in less than 4 months. This is the average result achieved in 22 SMEs from textile, food processing and pharmaceutical sector in 2012 through energy saving measures implemented under. The participating factories from Karachi, Lahore, Faisalabad and Sialkot together realized energy savings of 22,000 Megawatt-Hours (MW-h) per annum equivalent which corresponds to 53 Million PKR.

Mr. Sajid Saleem Minhas, Central Chairman, PRGMEA and CEO, Delta Garments (Pvt.) Ltd.; enlightens about this change in mind-set and enormous savings being achieved through implementation of efficient energy management practices. He stated during the Network Planning Meeting on 28th November, 2012 that his company is saving 3~4 rupees energy cost per garment unit being produced and this is achieved mainly because of strict monitoring of Energy Indicators.

PRGMEA is a leading partner in the Project ESPIRE. So far 10 PRGMEA member companies are participating in the project ESPIRE. Along with the Energy Audit, these companies are undergoing implementation of Energy Management System and are monitoring their energy consumptions through Energy Information System software provided by the Project ESPIRE. These companies are experiencing sizeable savings in terms of reduced consumption of Electricity, Gas, Diesel, Wood and Steam.

After successful introduction of Energy Efficiency; project ESPIRE now is expanding to productivity enhancement, waste reduction, and operational health and safety.

Thus far, 15 local consultants have been trained within the project by International Trainers from Sri Lanka and Portugal. In March 2013 the consultants are ready to support SMEs to reduce their wastages and to increase their productivity. Until May 2014 a total of 60 companies shall directly benefit from the Green Productivity services under project ESPIRE.



AYURVASTRA: An Eco Friendly Textile

In today's Textile, many of the textile producers are facing various challenges. About half of the world's waste water problems are linked to the production of textile goods including many of the chemicals using in dyes & finish fabric causing harm to human health. This hazardous leads today's customers to approach for procuring safe & sustainable product. AYURVASTRA is one of the most sustainable, safe, earth-friendly & human friendly defined as knowledge of life, to live a vigorous & disease free life. "Ayurveda" treats man as a whole- which is a combination of body, mind and soul. AYUR VASTRA is a *Sanskrit* term made up of two words- "AYUR" means "health" & "VASTRA" means "Cloth", meaning "life cloth". It developed as branch of Ayurveda, the ancient 5000 years old Indian system of health care which is still accomplished in South India. Ayurvastra cloth is completely free from synthetic chemicals & toxic irritants & is totally organic, sustainable & biodegradable. Ayurvastra or medical dress is made of 100% pure organic cotton or silk, wool, jute & coir products that have been hand loomed, dyed by using various ayurvedic herbs & have medicinal qualities.

The concept of dyes that are natural & improve the wearer's health is mesmerizing. Ayurvastra, chemical-free and nature-friendly and must be explored by apparel companies.

This article is an extract from a research paper by Mohit Saluja. The full paper can be found at: www.ayurvastra.in


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Discovering the scope of Green Productivity Projects

The 60 companies that will benefit from the Green Productivity Project under ESPIRE hope to establish the following:

- Recognize green productivity concepts and Implement green productivity tools
- Identify environment pollution sources in production processes
- Identify rationalization measures and good practices (Material, Water & Waste-water, Energy, Chemicals, Atmospheric emissions, wastes and noise), considering the economic and environmental aspects
- Be aware of fire prevention and response
- Improve Productivity by implementing Lean Manufacturing System



GSP plus status for Pakistan likely to spur textile exports to the EU

*Research & Development Cell,
PRGMEA, Lahore*

Pakistan’s access to the GSP Plus status would depend upon Islamabad’s record of implementation of 27 international conventions relating to human rights, labour rights, environment and governance it had already signed and ratified. GSP is a scheme of preferential tariffs, unilaterally extended with the objective of increasing trade capacity among developing nations. GSP + is not extended automatically, countries have to apply and will be qualified if they meet the eligibility criteria. Tariff preferences are conditional to an unqualified commitment for ratification and implementation of 27 international conventions (16 relating to human rights and labour rights, 11 relating to governance on development issues).

EU is the largest trading partner of Pakistan. EU maintains single trade, goods, services and currency. On 23 January 2012 the EU Foreign Affairs Council, consisting of the Foreign Ministers of all 27 Member States in the European Union and chaired by the EU High Representative, Catherine Ashton, approved a joint EU-Pakistan 5 year Engagement Plan, including cooperation in a wide range of areas from trade to foreign and security policy. In June, Lady Ashton visited Pakistan and launched a Strategic Dialogue with her counterpart Hina Rab-bani Khar, Minister for Foreign Affairs. Few days ago, they met again in Brussels. On 15 November 2012, the EU Autonomous Trade Preferences (ATPs) for Pakistan came into force as a response to the devastating floods that hit Pakistan in 2010 and 2011. Catastrophic flooding again struck in 2012 northern Sindh and parts of Balochistan.

As a result of these special ATPs, certain goods from Pakistan can enter the EU duty free or will be subject to specific ceilings (tariff rate quotas). The measures would

remain effective until 31 December 2013. On January 1, 2014 the EU’s new **Generalized System of Preferences (GSP)** regime would come into force. Pakistan is already benefitting from the existing GSP, but it is aspiring to obtain GSP Plus status under

EU import in textiles and leather products and Pakistan’s market share

Size of the EU import markets in textiles and leather products (2011) (US \$ million)							
Ch 63 Textile made- ups	Ch 62 Woven apparel	Ch 61 Knitted apparel	Ch 52 Cotton yarn, fabrics	Ch 42 Leather articles	Ch 41 Hides and skins	Ch 55 Man made fibers	
19,562	88,897	85,816	10,250	23,212	11,608	10,560	← EU imports
1,665	1,211	805	964	433	122	268	Pakistan Exports
(8.5%)	(1.4%)	(0.9%)	(9.4%)	(1.9%)	(1.1%)	(2.5%)	Market Share

EU is Pakistan's single largest trading partner. Textiles and clothing account for almost 70% of Pakistan's exports to the EU.

this new regime. If Pakistan qualifies for GSP Plus, it would be able to export most of its products to the EU duty free/quota free.

EU's direct humanitarian assistance to the devastating flood that hit Pakistan in 2010 and again in 2011 and 2012, the European Parliament and the European Council approved special autonomous trade preferences for Pakistan on 25 October 2012. These measures enable the export of certain goods from Pakistan to enter the EU duty free of subject to specific ceilings (Tariff Rate Quotas). The Autonomous Trade Preferences (ATP) entered into force on 15 November 2012 and will be in place until 31 December 2013. The ATP regulation is legally binding instrument and is directly applicable in all EU Member States. 26 products have been offered under the Tariff Regulated Quotas (TRQs) while 49 items will be covered under the non-tariff regulated quotas. In total, 75 items have been granted duty-free market access under the concessions.

EU is Pakistan's single largest trading partner. Textiles and clothing account for almost 70% of Pakistan's exports to the EU. Pakistan's imports from the EU mainly comprise mechanical and electrical machinery as well as chemical and pharmaceutical products.

Pakistan is acting as frontline state in the war against terror in the region and suffered colossal financial losses. Terrorism in the region has worst affected the GDP growth of Pakistan and its economy. Deteriorating law and order situation and energy crises has also brutally affected economic and commercial activities. Friendly countries of Pakistan, particularly European Union should reciprocate in terms of trade and technology transfer because trade is crucial to overcome many of Pakistan's challenges.

CHAPTERS 61, 62 and 63 : COMPARATIVE EXPORTS

	Ch 63 Bed wear & Towels			Ch 62 Woven Apparel			Ch 61 Knitted Apparel		
	2007	2011	Growth	2007	2011	Growth	2007	2011	Growth
EU Imports	15,674	19,462	24.1%	77,442	89,214	15.2%	68,240	85,854	25.6%
Intra-EU Trade	6,256	7,415	18.5%	30,869	32,151	4.1%	25,986	30,137	15.9%
Extra EU Imports	9,418	12,047	27.9%	46,573	57,063	22.5%	42,254	55,717	31.8%
China	3,500	4,812	37.5%	20,615	26,963	30.8%	13,289	22,301	67.8%
India	1,194	1,502	25.8%	2,952	4,373	48.1%	2,855	3,407	19.3%
Pakistan	1,195	1,681	40.6%	781	1,276	63.3%	596	856	43.6%
Bangladesh	292	526	80.1%	2,244	4,462	98.8%	4,349	8,545	96.5%
Turkey	1,663	1,639	(-1.5%)	5,217	5,139	(-1.5%)	8,186	8,306	1.4%
Tunisia				2,706	2,538	(-6.2%)	1,065	1,073	0.0
Morocco				2,658	2,408	(-9.4%)	1,113	1,068	(-9.2%)
Vietnam	145	205	41.4%	1,238	2,065	66.8%	493	826	67.5%
Indonesia				911	1,294	42.1%	985	956	(-3.8%)
Sri Lanka				741	975	31.6%	983	1,184	30.4%
Ukraine				526	432	(-18.9%)	105	88	(-19.1%)

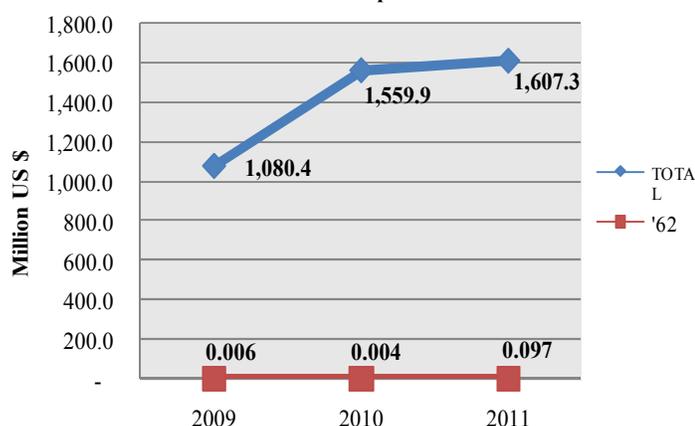
Pakistan India Trade: Fact File

Pakistan's Imports from India

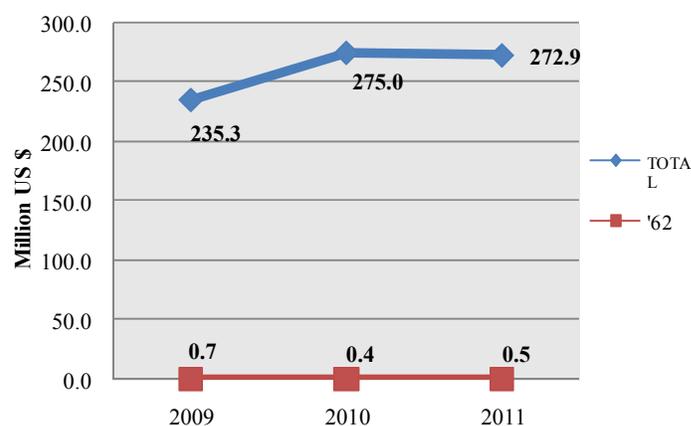
Unit : US Dollar Million

Product Code	Product Label	Pakistan's imports from India			India's exports to world			Pakistan's imports from world		
		Value in 2009	Value in 2010	Value in 2011	Value in 2009	Value in 2010	Value in 2011	Value in 2009	Value in 2010	Value in 2011
TOTAL	All products	1080.4	1559.9	1607.3	176765.0	220408.5	301483.3	31583.7	37537.0	43578.3
'62	Articles of apparel, accessories, not knit or crochet	0.006	0.004	0.097	6124.7	6038.0	7937.5	17.3	28.3	27.3

Trend of Pakistan's imports from India



Trend of Pakistan's exports to India



Pakistan's Exports to India

Unit : US Dollar Million

Product Code	Product Label	Pakistan's exports to India			India's imports from world			Pakistan's exports to world		
		Value in 2009	Value in 2010	Value in 2011	Value in 2009	Value in 2010	Value in 2011	Value in 2009	Value in 2010	Value in 2011
TOTAL	All products	235.3	275.0	272.9	266401.6	350029.4	462402.8	17554.7	21413.1	25343.8
'62	Articles of apparel, accessories, not knit or crochet	0.7	0.4	0.5	67.4	101.4	166.4	1206.5	1461.6	1774.7

Trade with India: Facilitation Measures

Research & Development Cell, PRGMEA, Karachi

Tariff & Non-Tariff trade barriers

Physical Testing Requirements:

Pakistani fabric exporters are required to obtain a pre-shipment certificate from a textile testing laboratory in Pakistan certifying use of non-hazardous dyes (Azo-free dyes). In some cases even the EU accredited labs have been rejected by Indian customs. The Indian Government should be asked to modify their regulation whereby allowing acceptance of pre-shipment testing from any internationally accredited testing agency such as ITS or SGS. This will facilitate timely release of consignments as well as minimizing testing costs incurred by the importers.



Customs valuation and other practices:

Indian Customs officials arbitrarily re-classify description of exported goods and assign them categories with higher duties. Moreover, the appeal process in such a case is very lengthy and cumbersome and the exporters have no other option but to accept the re-classification in order to avoid detention of consignment. There could be cases where the reverse could be true for some Indian companies viz a viz Pakistani customs official.

Pakistani customs official.

For calculation of import duties Indian Customs reject the declared value of imported products, and use their discretionary powers to impose higher values arbitrarily. It is also a regular practise to draw out samples from shipments for laboratory testing. There could be cases where the reverse could be true for some Indian companies viz a viz Pakistani customs official.

Para-tariff measures:

India imposes a countervailing duty of 10% on garments, a special countervailing duty of 4% and an education-cess of 2%. All these duties are in addition to the dual import duty structure on imports. Due to these multiple taxes and duties, effective import tariff comes out to be 70-82% as shown on the table.

Cost of Importing Pakistani Garments into India

	Duty @	Unit	Men's Trouser	Women's Trouser	Women's Cotton Dress
HS Code			610342	610462	620442
Exchange rate			1.81537	1.81537	1.81537
Unit value		PKR	465.9	361.0	375.8
Unit value		INR	256.6	198.8	207.0
Value after Customs handling-A	1% of import value	INR	259.2	200.8	209.1
Basic Custom Duty - B	Non-adv. duties	INR	135	98	116
Countervailing duty (CVD) - C	10% of (A+B)	INR	39.4	29.9	32.5
Central excise education Cess-D	3% of C	INR	1.2	0.9	1.0
Customs Education Cess - E	3% of B+C+D	INR	5.3	3.9	4.5
Special CVD (SCVD)	4% of A+B+C+D+E	INR	17.6	13.3	14.5
All duties - subtotal		INR	198.5	146.0	168.5
Effective tariff			77.3%	73.4%	81.4%

Financial Barriers:

Some Indian banks do not recognize Letters of Credit (L/Cs) from all Pakistani banks, and confirmation of L/Cs can take up to a month. Moreover, in case of a dispute between importer and exporter, there is no formal trade dispute settlement mechanism. Payments related to bilateral trade are made through the Asian Clearing Union (ACU) which is not efficient. Indian banks are not allowed to open branches in Pakistan and

vice-a-versa.

Inconsistent policies:

Traditionally, India has been very inconsistent in its cotton and yarn export policies. Decisions regarding restriction on cotton and yarn export are taken arbitrarily, which provides Indian exporters a legitimate excuse to back out of their contractual obligations.

Land Trade Facilitation:

Multiple trading land routes should be

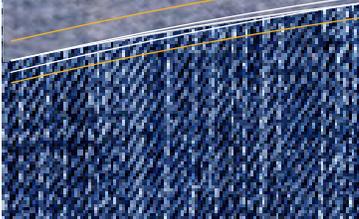
opened, whereby allowing all items to trade through land routes, and the process should be smoothened. As there is insufficient space on trains, it is necessary to allow registered transport companies' trucks to transfer goods from warehouse-to-warehouse. This measure will save extra logistical costs and goods will be delivered to dry ports and customs bond more efficiently.

There is also no formal mechanism for the settlement of trade disputes.

Pakistan and India signed three agreements for removal of Non Tariff Barriers related to Customs cooperation, mutual recognition of required standards and the mechanism to address grievances for boosting the trade between the two countries .

A Study of Indian Youth Jeans-Consumer Behaviour

Manoj Tiwari & Prof. (Dr.) Noopur Anand



A survey was undertaken with objective to understand the preference (purchase, brand, fit, style and price) in buying jeans by Indian youth and the problems being faced by them in the currently available products.

India is one of the largest and fast growing economies of world. According to “India's Fast Growing Apparel Market”, the Indian youth is becoming more fashionable every day and is open to spend a significant amount of their income on apparel products. In the apparels, Jeans is one of the most important categories where consumer demand exists across all ranges. Today it's not merely a garment but has evolved as a personality defining apparel to young consumers. Keeping in mind the popularity of this garment among youth of India, this research was undertaken to understand the Indian youth jeans buying patterns and satisfaction with the current available products to project the growth potential of this segment.

RESEARCH METHODOLOGY

A survey was undertaken with objective to understand the preference (purchase, brand, fit, style and price) in buying jeans by Indian youth and the problems being faced by them in the currently available products. A convenience sample of 73 subjects (47 male and 26 female) aged between 18 to 35 years from various professions participated in the study. The study was conducted in Gandhinagar, the capital city of Gujarat state of India, as this is one of the fastest growing education and IT hub in India and provides an ideal environment for study with richness of youth population from different cities of India.

The *questionnaire* which was developed for the study asked for the demographic general information like Name, age, gender, profession, annual house hold income from the participants. The questionnaire was focused on six key issues regarding jean buying behavior i.e. Purchase preferences, Brand preferences, Price preferences, Fit and styling preferences, Criteria of selection of jeans. It also examines the fit related problems in jeans currently available in the market by investigating level and frequency of alteration required in the jeans.

To achieve the objective the questions were asked on the following areas:

Purchase Preferences – To gain understanding on popularity of jeans and its usage, questions were framed to check the number of jeans possessed by them, frequency of buying jeans, and number of jeans bought in one purchase, frequency of wearing jeans etc.

Brand Preference- The consumers' inclination towards the branded jeans were studied and the respondents were asked to rate the jeans brands as per their liking.

Price Preference- The respondents were asked to select from the following price range to establish their price preference - Economy range (Up to Rs. 499), Mid-range (Rs. 500-1000), Premium range (Rs. 1001-2000) and Super premium range (Above Rs. 2001) were given.



To investigate the *criteria of selection* while buying a pair of jeans; the subjects were requested to rate the criteria of selection like brand name, fit, color, washing effect, price, leg styling and any other on a scale of 1 to 7.

To understand the *magnitude of the alteration and consumers reaction* to it, questions were framed around examining if alteration was required in new pair of jeans and frequency of the same. Respondents were also asked on their level of satisfaction on purchase of new jeans with and without the need for alterations.

RESULTS AND DISCUSSIONS

Purchase preferences- It is noteworthy to mention that all 73 participants use jeans, while out of valid responses a significant 87% of the participants wear jeans daily and 10% of the participants wear jeans on Fridays plus weekends and holidays. 41% of the total respondents have 3-4 pair of jeans in wardrobe at any point of time while 27% of the respondents have 5-6 pairs of the jeans in their wardrobes at a time. 40% of the respondents buy jeans more than twice in a year, while 44% of the respondents buy jeans at least twice in a year. Together this makes a whopping 84% of the respondents who buy a pair of jeans at least twice or more than twice in a year. It indicates the popularity of jeans among youth consumers.

Table I: Fit and Styling Parameters

Fit & Styling Parameter	Options
Garment Fit	Tight/Slim, Regular/straight fit, Semi fit/comfort and Loose/Baggy
Leg styling variations	Straight, Tapered, Bell bottom and Boot cut
Waist level variations	Low waist, True/Normal waist and High waist

Brand Preferences – 75% of the participants wear only branded jeans while rest use both branded and unbranded jeans. This is an indicator that today’s youth is very much inclined towards branded jeans.

Price Preferences – 71% of the respondents (52 respondents out of 73) preferred buying pair of jeans from the premium range followed by 23% of the respondents (17 respondents out of 73) belonging to mid-range price preference. And interestingly there was no respondent preferred economy range. It indicates that youth consumers are willing to pay a decent amount for a pair of jeans. This result reconfirms their inclination towards the branded jeans.



It was observed that fit is the most important criteria while selecting the pair of jeans by male as well as female consumers which is hard to find. Tight-fit jeans with tapered leg and low-waist are the most preferred.

Fit and styling preferences – Based on the fit and styling options (as shown in table I) given to the respondents, it was observed that the regular/straight fit was preferred by 49% of male respondents followed by tight/slim fit (27%) and semi fit/comfort (24%), while tight/slim fit was preferred by 65% of the female respondents followed by regular/straight and semi fit/comfort by 27% and 8% respectively. And as expected loose/baggy fit was not preferred by any of the respondents.

Clear inclination towards tapered and straight leg variations was observed as 55% of the male respondents preferred tapered leg variation while straight leg variation was preferred by 45% of male respondents. For the female consumers; tapered, straight and boot cut were preferred by 54%, 38% and 8% respectively. Inclination towards low waist jean was observed in both male as well as female consumers. 55% of male and 71% of female respondents opted for low waist jeans. And it's noteworthy saying that high waist jeans were not preferred by any of the respondents. These results highlights the fit and styling preferences of the youth consumers and it can be stated that Regular/straight fit with tapered leg variation and low waist level is most desired combination for male consumers while tight/slim fit with tapered leg variation with low waist level is most liked combination by female consumers.

Criteria of selection of jeans- While buying a pair of jeans, fit (as shown in Chart I) of the product emerged as the most important criteria in both male as well as female consumers followed by color in male consumers and brand name in female consumers. Weighted score was calculated by assigning points as 7 for the most preferred and 1 point being the least preferred. Further these points were multiplied to the frequency of respondents to that particular attribute. This result was the conformance to the results of earlier studies done by Woods (2004) on denim jeans, Hsu and Burns (2002) on clothing, and Rahman (2011) on denim jeans.

Current issues with the available products – Magnitude of the alteration and consumers' reaction to it have been studied aiming to investigate the level of satisfaction with the pair of jeans at the time of purchasing. While analyzing the alteration related issues, it was observed that for 17% of the respondent alteration in jeans was always required while for 38% of the respondents it's frequently required. This makes 55% of the total respondents needed alteration always and or frequently in newly bought jeans. Regarding the satisfaction level due to alteration in the newly bought pair of jeans it was observed that there were only 18% respon-



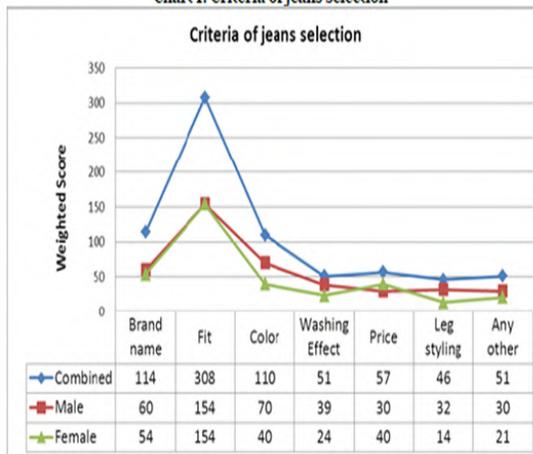
dents who were indifferent of alteration in the pair of jeans while for 28% respondents it matters little. Among the rest 54% of the respondents, 11% were highly dissatisfied, 19% dissatisfied and 24% get irritated due to alteration in the newly bought jeans.

While investigating about the consumers' response to the fit of pair of jeans, it was observed that 18% of the respondents will definitely not buy the pair of jeans and 17% of the respondents who will probably buy the pair of jeans if it doesn't fit at leg length and needs alteration. This makes 35% (more than 1/3 of the respondents) of the people who may not buy the jeans if it doesn't fit them at leg length. While only 15% will go to buy the pair of jeans even if it doesn't fit at leg length. It was observed that almost half (49%) of the respondents will definitely not buy the pair of jeans if it doesn't fit at some other area, though leg length is OK. And there were 18% of the respondents who probably not buy such pair of jeans. This makes 67% (2/3 of the total respondents) who may not buy the pair of jeans if it doesn't fit them at some other area, though leg length is OK.

These figures show that fit is one of the most important area of concern while jeans buying and youth consumers are dissatisfied with the level of fit offered by available products. Majority of the consumers don't prefer alteration in the newly bought pair of jeans and are unhappy with such kind of alteration requirement. The results of the study clearly indicates that fit issues in the pair of jeans apart from leg length are just not acceptable to the consumers and in such cases they avoid buying the pair of jeans. This situation establishes the need of the research in the area of fit for a pair of jeans to the consumers.

Courtesy: www.fibre2fashion.com

Chart I: Criteria of jeans selection



Today's Indian youth is well aware of brands and latest fashion trends and is willing to pay for the product with expectation of perfect fit of the product without any compromise to it.

Labor Concerns in Indian Apparel Industry

Vasundhara C. Bhagat

A sneak-peek into Indian Apparel Industry:

In India, the readymade garment industry had its beginning during the first half of the 20th century and has witnessed impressive growth during the last four decades. However, with the advent of foreign retail players in the Indian market, the Indian garment manufacturing industry has been on the crest but the labour it involves has continuously been diving into the troughs. The industry being mostly human labour driven has brought many atrocities to its main pillar the labour itself. The industry has seen a large growth over the decade but the plight of the work-force involved has been stagnant and also striking.



The industry being mostly human labour driven has brought many atrocities to its main pillar the labour itself. The industry has seen a large growth over the decade but the plight of the work-force involved has been stagnant and also striking. The problems related to labors in Indian Apparel Industry can be broadly categorized as under:

- Working conditions related problems
- Gender based discrimination issues
- Issues of child labour

Working conditions related problems:

The interdependence between working conditions and productivity is increasingly recognized. The first move in this direction came when people began to realize that occupational accidents had economic as well as physical consequences, although at first only their direct costs (medical care, compensation) were perceived. Subsequently, attention was paid to occupational diseases as well.

The work environment in the garment manufacturing units is unhealthy and unsafe for the workers, resulting in several health problems. The major constraints faced by the workers in these units are:

People working in such poor or substandard environment are prone to occupational diseases. The workers in the garment units suffer from work-related musculoskeletal disorders such as carpal tunnel syndrome, forearm tendinitis, epicondylitis, lower back pain, neck pain, shoulder pain and osteoarthritis of the knees. The furniture used in the garment manufacturing units is either above or below the recommended levels and the strained posture had to be maintained throughout the work day, which could be responsible for the development of pain in the shoulders, the upper arm and the forearm. Continuous exposure to high levels of noise over a period of time would result in noise induced loss of hearing among the workers in this section.

- Poorly designed workstations
- Unsuitable furniture
- Lack of ventilation
- Inappropriate lighting
- Excessive noise
- Insufficient protection from dangerous chemicals
- Insufficient safety measures in fire emergencies

Lack of personal protective equipment leads to cases of injury to fingers which is caused during the use of handheld or band knife cutting machines. Continuous use of cutting shears leads to swelling of fingers and cornification of the skin. Lack of lights leads to headache. Accidents like needle-piercing because of the visual strain can also be caused by insufficient light at the point of operation. Apart from the above working condition related problems there are several other problems like lack of proper sanitation facilities in the factories, congested work area, improper ventilation etc. These points cannot be overlooked when discussing about the working environment of a labour in any of the industries. A proper industrial engineering team needs to be employed in order to develop proper and fatigue resistant work-stations with furniture and infrastructure suiting the work and the worker. Machine maintenance should not be overlooked by the administration as this would reduce the undesired noise in the workplace and also would be safe for the worker to work on. Proper and regular mock-fire drills should be conducted in order to train the workers to get out of the jeopardy in case of emergency. A well equipped medical team should also be employed to deal with emergencies. Sanitation and cleanliness related issues can be very easily dealt with by the management but are generally not paid heed

to, most of the times.

Gender based discrimination issues:

Garment manufacturing witnessed considerable growth during the post-liberalization period. Did men and women benefit from this growth equally? Women constitute a majority of the garment workers. An important reason for this was that women did not stay in the industry long enough to gain skills and experience to receive higher wages and salaries. Women leave the industry early due to gender-based discrimination practiced in the industry. Introduction of time-based wages is urgently needed to promote gender equality in the industry.

Now the question arises as to why is the feminine part of the work-force suffering this discrimination. The reasons for the same are: First, female labour is cheaper than male labour. Second, women workers are considered to be more docile, loyal and law-abiding in nature than men. Third, women workers are also more hard-working and sincere than their male counterparts. Finally, women workers have less contacts, exposure and bargaining power than male workers. Psychological, physical emotional, economical and what not; a female working in a garment factory has to face every single drop of this polluted wine. The atrocities and the inauspicious environment that the female workers have to work in cannot be versed everywhere.

Issues of child labour:

The prevalent poverty and illiteracy in India has paved way for child labour in almost all sectors of Indian economy. The face of this inhuman, anti-social and illegal demon is even more treacherous in the garment industry. As discussed above, the inappropriate conditions prevalent in the garment industry is not at all suitable for a healthy adult to work in, how come the management employs innocent children to work in such conditions. A child not only loses his education and intellect to this social monster but eventually succumbs and loses his life as well. Dalit (outcaste) girls under 18 from poor families, who are lured with promises of a decent wage, comfortable accommodation and, in some cases a sum of money upon completion of the contract that may be used for their dowry. This is one of the innumerable examples of child labour and its exploitation in the ready-made garment industry. With the advent of international compliances and interference by local NGOs, there has been some but certainly not enough dis-positioning of this social evil. After global apparel brands stopped sourcing from Indian apparel exporters for engaging child labour, the industry has decided to adopt zero tolerance to child labour and cleanse the supply chain. Apparel industry players would now make sure that labour contractors don't engage child labour and get the supply chain of the suppliers audited so that the industry starts getting orders again. With positive initiatives taken by the think tank of the industries, the elimination of child labour can be a future vision, but the way present scenario stands, fingers shall remain crossed.

Wages and compensation based issues:

Chapter VI Sec 51 of the Factories Act, 1948 says that "No adult worker shall be required or allowed to work in a factory for more than forty eight hours in a week" and Sec 54 adds that "no adult worker shall be required or allowed to work in a factory for more than nine hours in any day". Where a worker works in a factory for more than nine hours in any day or for more than forty-eight hours in any week, he/she shall, in respect of overtime work, be entitled to wages at the rate of twice his ordinary rate of wages. In reality every garment worker ends up working for nine to ten hours daily and this is not always recorded as overtime work. Often overtime work is not voluntary and workers are compelled to do overtime work to complete production targets. There has been a noticeable movement away from the garment industry as workers look at much more lucrative and less stressful option in other booming industries like IT and retail. There is no denying that labour wage in Indian garment industry is very low compared to that of other global competitors (approx. 1/3rd of the world standards). This leads to dissatisfied workforce and hence diminished productivity. The reason for such low wages and non compliance with the wages act can be the absence of proper labour unions in context of garment industry set-up which reduces their demanding capability. The labour fails to voice its grievances in the fear of being kicked off and left unemployed and hence is forced to zip and take whatever he gets as his fate.

Courtesy: www.fibre2fashion.com

Summing up, It's high time that society and the management ponder on the question as to why the labour issues in the garment industry are still unanswered so as to prevent dark futures for the average workman.

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**JOINT STATEMENT OF THE 7TH ROUND OF TALKS ON
COMMERCIAL AND ECONOMIC
CO-OPERATION BETWEEN COMMERCE SECRETARIES OF INDIA AND PAKISTAN**

The 7th round of India-Pakistan talks on Commercial and Economic Co-operation was held during 20-21 September 2012 at Islamabad between the Commerce Secretaries of India and Pakistan.

2. The Indian delegation was led by Mr. S R Rao, Commerce Secretary and Pakistan's was led by Mr. Munir Qureshi, Secretary, Commerce. The list of participants is annexed.
3. Both sides expressed satisfaction with the progress made in the bilateral trade relationship, since last round of talks in New Delhi (14-16 November 2011). The bilateral meetings and discussions of the Trade and Commerce Ministers of both countries (September-2011, February-2012 and April-2012) provided a strong political impetus to enhanced economic engagement. The transition towards full normalization of trade relations with India was initiated by moving from a 'positive list' regime to a 'negative list' regime. Following the visit of Commerce Minister Shri Anand Sharma to Pakistan in February 2012, Pakistan side notified its negative list on 20th March 2012. The understanding at the previous Ministerial level talks has been that after approval by the Cabinet this negative list would be dismantled before the end of 2012.
4. The Commerce Secretaries reviewed with satisfaction that Commerce Ministers of India and Pakistan as well as the Chief Ministers of Punjab on either side of the border had jointly participated (April, 2012) in the Inauguration Ceremony of the new Integrated Check Post (ICP) at Attari. Commerce Secretaries appreciated that better trading opportunities provided through land route would enhance mutual prosperity of the business communities and consumers of both sides of the border. They however, noted that there is need to further strengthen infrastructure on both sides. They directed the customs and the port authorities to resolve all the issues through mutual cooperation, harmonization of customs procedures, provision of laboratory facilities, scanners, weigh bridges, cold houses, containerized services and automation of the business processes. For this purpose, meetings of the Customs Liaison Border Committee would be held on monthly basis. CLBC would also explore the possibilities of organizing meetings between the relevant importers and exporters at Wagah-Attari border. It was decided that this Land Customs Station would operate seven days a week.
5. The need for more trade traffic to be carried through the Railways was emphasized. For this purpose, it was agreed that the Railway Ministries would hold joint coordination meetings on a monthly basis, at the appropriate levels. Issues on availability of sufficient number of rakes for interchange was also highlighted by the Pakistan Railways. It was noted that the earlier agreed provision of 3-4 interchanges a day has not been adhered to due to current trade patterns. A viable solution is to allow High Capacity Wagons (HCW) from Pakistan which carries three times more load than the regular wagons. The Indian Railways agreed that specifications already provided by the Pakistan Railways for HCW would be examined and conveyed accordingly within two months.
6. On exploring the possibilities of opening new land routes for trade, Pakistan side informed that a working group on Munabhao-Khokhrapar has been constituted. Indian side has already conveyed constitution of working group. It was agreed that meeting of the JWG on Munabhao-Khokhrapar would be held in 4th week of October, 2012 at New Delhi.
7. Both sides appreciated the recent signing (September, 2012) of the new liberalized bilateral visa regime. This fulfils a long pending demand of the business communities of both sides to ensure a better enabling environment for bilateral trade.
8. Pakistan side also appreciated the recent measures which have been taken by India to remove its earlier restrictions on inbound and outbound investments to Pakistan. Pakistan side sought clarifications from Indian authorities on investment through "Government Route" and its implications for investment by Pakistani investors in India. Both sides agreed to encourage two way investments and to enhance investor confidence on both sides the procedures need to be simplified. It was also decided that outreach programmes may be held with the business communities on both sides regarding the new investment opportunities, application procedures and regulatory issues.

9. On the issues relating to removal of Non-Tariff Barriers, Secretary Commerce Pakistan highlighted that certifications/ licensing/ lab testing/ are not the only NTBs but issues like delays in customs clearance, non availability of railway wagons for cargo transport, absence of direct flights or any problem which delays the clearance of goods with no end results or change faced by importer/ exporter is an NTB. He reiterated that concrete solutions of all such issues are crucial for ensuring market access in the Indian markets for Pakistani exporters. Commerce Secretary India while noting the views expressed by Commerce Secretary Pakistan emphasized the need for elimination of such NTBs on both sides. Both sides expressed satisfaction on signing of the three agreements i.e. Redressal of Trade Grievances Agreement, Mutual Recognition Agreement and Customs Cooperation Agreement and directed the relevant authorities to frame rules and procedures to fully implement these agreements. These agreements are expected to substantially facilitate bilateral trade mechanisms. It was agreed that on the same pattern as Mutual Recognition Agreement between BIS and PSQCA another agreement between Export Inspection Council of India (EIC) and PSQCA will be signed. Both sides have already exchanged the draft texts and it was agreed to complete the internal approvals before the next meeting of the Commerce Secretaries.

10. The JWG on Customs Matters has held one meeting in August 2011. In order to frame rules and procedures to implement the two agreements signed between the Customs Authorities it was agreed that JWG on Customs would meet in the following month either at Karachi or Mumbai.

11. It was reiterated that the road map drawn in the earlier Ministerial meetings, for liberalized and preferential trade regimes would be scrupulously adhered to. Pakistan side informed that summary for removal of restrictions on trade through land route has been moved to the Cabinet and assured that decision to this effect is expected to be notified before end of October, 2012.

12. The Pakistan side expressed appreciation of the steps taken by India to reduce its SAFTA sensitive list by 30% from 878 tariff lines to 614 tariff lines as agreed earlier during the 6th Round of Talks. The Indian side explained that out of 264 tariff lines which have been removed from India's SAFTA sensitive list, 155 tariff lines pertain to agricultural commodities and 106 tariff lines relate to textile items. To further deepen the preferential arrangements under SAFTA and to provide level playing field to Pakistani exporters in comparison to concessions allowed by India under SAFTA to rest of the countries in the SAARC region, both sides developed a long term plan. It was noted that Pakistan now has a total of 936 tariff lines at 6 digit under its SAFTA Sensitive List, as against 614 tariff lines at 6 digit of India. It was agreed that after Pakistan has notified its removal of all restrictions on trade by Wagah-Attari land route the Indian side would bring down its SAFTA sensitive list by 30% before December, 2012 keeping in view Pakistan's export interests. Pakistan would transition fully to MFN (non discriminatory) status for India by December 2012 as agreed earlier. India would thereafter bring down its SAFTA Sensitive List to 100 tariff lines at 6 digits level by April, 2013. As India notifies the reduced Sensitive List, Pakistan, after seeking approval of the Cabinet will also simultaneously notify its dates of transition to bring down its SAFTA sensitive list to a maximum of 100 tariff lines at 6 digit level within next 5 years. The reductions shall be notified by Pakistan in equal measure for each year so as to complete reduction to 100 lines before end of 2017. Thus, before the end of 2017, both India and Pakistan would have no more than 100 (6 digit) tariff lines in their respective SAFTA sensitive lists. Before the end of year 2020, except for this small number of tariff lines under respective SAFTA sensitive lists, the peak tariff rate for all other tariff lines would not be more than 5%.

13. The Commerce Secretaries also reviewed the progress on other issues such as enhanced trade for petroleum products, trade in power and reciprocal opening of Bank branches. Based on this review, the Commerce Secretaries exhorted the relevant stakeholders on both sides to speed up the mutual consultations so that concrete progress is achieved within the next six months. During this review, Indian side informed its willingness to consider export of gas up to 5 million cubic meters per day, for an initial period of five years. Pakistan side informed that India's offer has been received and is under active consideration. BHEL (an Indian PSU) made an offer to cooperate with the Pakistan side in setting up 500 – 2000 MW capacity in coal/hydro or Gas power plants, as per their requirements. Indian side indicated its willingness to cooperate with Pakistan in areas of wind and solar energy. Indian side also made an offer for meeting the requirements of Pakistan Railways for up to 100 locomotives.

- 14.** Pakistan side emphasized the importance of taking SMEs along in this trade normalization process. It highlighted that sectors like surgical instruments, cutlery, fans, leather and marble products have a huge potential for trade. It was agreed that an institutional mechanism would be constituted to work out exhibitions of these products in India. Sharing of technology, skill development, training and collaboration in development of designs would also be encouraged. Cooperation in the manufacturing activities of the Gems and Jewellery sector would be actively encouraged.
- 15.** As a part of this round of talks, representatives of the Civil Aviation Authorities of both the countries undertook discussions to ensure better air connectivity between New Delhi and Islamabad. It was noted that against an average of about 23 flights per week between New Delhi and other important national capitals of the SAARC countries, there is as yet no direct air connectivity between New Delhi and Islamabad. It was agreed that a Joint Working Group (JWG) would be formed before 15th November 2012, which would work out a more liberalized regime of reciprocal bilateral rights for commercial flights, to ensure economic viability of this air route. This JWG would also explore mechanisms for more efficient courier services.
- 16.** The two sides noted with satisfaction the business-to-business contact which is steadily growing between both countries. Chambers of Commerce on either side has been supporting business delegations and trade issues in each other's countries. This process would be supported and facilitated by the Commerce Ministries of both the countries, with the active support of the TDAP and ITPO. The Secretaries directed the two organizations to provide better guidance to chambers and business people on customs procedures and import regulations to organize exhibitions.
- 17.** The Commerce Secretaries also noted the decision that was taken by the Commerce Ministers to form a Joint Business Council (JBC) as an additional institutional framework for regular and sustained dialogue between the business communities. Both sides agreed to exchange names of 10 prominent business persons from each country for this JBC within a month. The endeavor would be to have a first meeting of this JBC before December 2012 and its recommendations would be duly considered for taking forward the ongoing trade and investment dialogue. The JBC would, inter-alia, also explore measures for increasing other related activities between the people of both countries.
- 18.** Preliminary discussions were also held on possibilities of better telecommunication linkages keeping in view the requirements of business communities on both sides for international roaming facilities. It was agreed that separate sub-groups on either side would take forward this dialogue. Commerce Secretaries would review thereafter.
- 19.** Both sides also reviewed the earlier discussed possibilities of greater trade cooperation in sectors of agriculture and information technology. Relevant stake-holders would be encouraged to take forward economic cooperation in these areas. Cooperation for increasing cotton yield in Pakistan through trials of suitable BT cotton seeds, would be given more focused attention
- 20.** The Commerce Secretaries of both countries placed on record appreciation of their predecessors Dr. Rahul Khullar and Mr. Zafar Mahmood, who had very ably steered the trade dialogue from April 2011 onwards. It was resolved to further build upon the foundations laid by them to consolidate and enhance economic engagement.
- 21.** The 8th round of talks would be scheduled to take place in India in April 2013. In the meantime Co Chairs of the JWG on economic and commercial cooperation, Joint Secretaries of Commerce, India and Pakistan would meet in December, 2012 at Islamabad.
- 22.** The bilateral trade talks were conducted in a very cordial and positive atmosphere.
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**Agreement between Islamic Republic of Pakistan and Democratic Republic of India
for
Redressal of Trade Grievances**

PREAMBLE

The Governments of Islamic Republic of Pakistan and Democratic Republic of India,
CONSCIOUS of the growing economic ties between them;
DESIRING to promote bilateral trade between the two countries;
CONVINCED that strengthening mechanisms to redress trade grievances will build confidence amongst the business communities in both countries;
RECALLING their commitment to fully normalize trade between the parties;
RECOGNISING the need for a predictable, transparent and stable business environment for business persons to conduct transactions freely with certainty;
HAVE AGREED as follows:

Article 1

Objective

The objectives of this Agreement are to:

- (a) promote bilateral trade;
- (b) establish a framework of transparent, predictable and facilitative mechanism to address trade related grievances of the business communities;

Article 2

Scope and Coverage

The provisions of this Agreement shall apply to the grievances registered by the traders concerning problems/difficulties in bilateral trade between the Parties arising at all the entry/exit ports.

Article 3

Nature of Grievances

Grievances of importers arising at the port of entry/exit concerning the following issues will be addressed by the Grievance Cell established for the purpose (as given in Article 4 below):

- (a) Delays in clearances
- (b) Disputes on applicable standards
- (c) Disputes on applicable conformity assessment
- (d) Undue interrogation, checking
- (e) Delays due to issues involving customs classification, valuation, assessment.

Article 4**Grievance Cell**

Grievance Cells will be established at each entry port by the respective contracting parties.

2. The Cell will consist of the respective officials from Customs Authorities and the Chambers of Commerce and Industry of the concerned importing party.

Article 5**Grievance Redressal Mechanism****Registration**

The Grievance Cell will register the grievance of the concerned trader(s) at the spot.

2. The information will be shared instantly with the Joint Secretaries of the Commerce Ministries of both the parties.
3. The record of the grievance will preferably be in an electronic format, maintained by the Grievance Cell.

Reference to relevant Departments

After initial assessment of the grievance, the Grievance Cell will take all necessary action to resolve the issue. In case the grievance is not resolved at that level, the Grievance Cell will then refer the case to the relevant Ministry/Department of the contracting parties to which it pertains, within 7 working days of the registration of the grievance.

2. Concerned Ministry/Department of the two contracting parties will notify nodal persons from their Departments to whom the grievance will be communicated, preferably through electronic medium.
3. The nodal persons will examine the received grievance. If not relevant, the grievance will be sent back to the Grievance Cell within 7 working days of the receipt of the grievance.
4. If relevant, the grievance will be decided by the concerned Ministry/Department within one month of the receipt of the grievance. The decision will be communicated to the concerned Grievance cell as well as Joint Secretaries of the Commerce Ministries of the two countries.
5. In case the issue is not resolved at the level of Ministry/Department, this will be referred to the Joint Secretaries of the Commerce Ministries of the contracting parties, for resolution.

Joint Secretaries Committee

The committee will meet every three months to resolve any unresolved issue and to review the number of grievances received and how they have been redressed.

2. If the grievance is not addressed at the level of Joint Secretaries, it will be referred to the Commerce Secretaries of the two countries.

Commerce Secretaries Committee

Commerce Secretaries of both the parties in their biannual meeting will review and resolve any unresolved grievance.

2. All decisions by the ministries/departments, joint secretaries committee and commerce secretaries committee will be maintained in electronic format.

Article 6**Cooperation**

The Parties shall at all times endeavor to agree on the interpretation and application of this Agreement through cooperation to arrive at a mutually satisfactory resolution of any matter that might affect its operation.

Article 7**Duration and Termination of Agreement**

This Agreement shall remain in force until either Contracting Party terminates this Agreement by giving six months written notice to the other Contracting Party, through Diplomatic Channels, of its intention to terminate the Agreement.

Article 8**Amendments**

The Agreement may be modified or amended through mutual agreement of the Contracting Parties. Proposals for such modifications or amendments shall be submitted to the Joint Secretaries Committee and upon acceptance by the Joint Secretaries shall be approved in accordance with the applicable legal procedures of each Contracting Party. Such modifications or amendments shall become effective when confirmed through an exchange of diplomatic notes and shall constitute an integral part of the Agreement.

Article 9**Entry into Force**

The Agreement shall enter into force on the 30th day after the Contracting Parties hereto have notified each other through Diplomatic Channels that their respective constitutional requirements and procedures have been completed in respect of this Agreement.

In Witness Whereof the undersigned, duly authorized thereto by their respective Governments, have signed this Agreement.

Done in duplicate at Islamabad this Day of February, 2012 in two originals in the English language.

**For and on behalf of
the Government of the
Islamic Republic of Pakistan**

**For and on behalf of
the Government of the
Democratic Republic of India**

Pakistan Readymade Garments Technical Training Institute - Lahore

The Pakistan Readymade Garments Technical Training Institute (PRGTTI-Lahore) was founded in September 2001 by a group of eminent apparel industrialist and members of Pakistan Readymade Garments Manufacturers and Exporters Association (PRGMEA). The Institute is duly recognized by the Trade Development Authority of Pakistan, Ministry of Commerce, Government of Pakistan and Pakistan Readymade Garment Industry.

In order to meet the acute shortage of qualified textile personnel, the need for the systematic re-enforcement of technical education, training of personnel and product development on most modern lines was felt and as a result PRGTTI was established. The PRGTTI is transferring latest technology to industry by updating technical know-how of personnel from industry and new entrants by conducting training courses, workshops, seminars, and conferences.

PRGTTI is offering its courses to the Apparel sector, since its inception in 1995 at Karachi and then in 2003 at Lahore, which gives us an opportunity to access the textile market situations with respect to human resources. The curriculum at PRGTTI was designed keeping in view the courses offered at world's renowned institutions abroad and the local requirements. Also it was peer reviewed locally and internationally.

Our Motto is "Excellence In Style" and the Mission Statement is to improve the practices of management.



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