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The Cotton Textiles Export Promotion Council (TEXPROCIL)
Engineering Centre, 5th Floor, 9, Mathew Road, Mumbai 400004. Maharashtra State. INDIA
W. www.texprocil.org E. ibtex@texprocil.org T. +91-22-23632910 to 12 F. +91-22-23632914

IBTEX No. 44 of 2021 March 03, 2021

US 73.24| EUR 88.51| GBP 102.27| JPY 0.69

NEWS CLIPPINGS

INTERNATIONAL NEWS	
No	**Topics**
1	Biden Trade Agenda Takes Aim at China, Enforcement and Made in America
2	Indonesia to Hit China, Bangladesh With Import Duties
3	US retail sales projected to exceed $4.33 trillion in 2021: NRF
4	Garment, hard goods exports in Philippines may hit $2 bn: FOBAP
5	Vietnamese apparel maker running 'face mask bus'
6	Jordan govt urged to impose tax on online purchases from abroad
7	Bangladesh: Rising global cotton prices lockdown in EU US push up yarn costs
8	Bangladesh appeals against Indonesia's safeguard duty on apparel exports
9	Pakistan: Duty-free yarn imports demanded to save textile exports

INTERNATIONAL NEWS

Biden Trade Agenda Takes Aim at China, Enforcement and Made in America

The Office of the United States Trade Representative (USTR) delivered President Biden's 2021 Trade Agenda to Congress on Tuesday, detailing a comprehensive trade policy in support of the administration's effort to help the U.S. recover from the Covid-19 pandemic and refocus and reform policies for global and domestic commerce.

A key policy agenda is "addressing China's coercive and unfair economic trade practices through a comprehensive strategy." USTR said the Biden administration recognizes that China's trade policies harm U.S. workers, threaten America's technological edge, weaken its supply-chain resiliency and undermine national interests.

"The Biden administration is committed to using all available tools to take on the range of China's unfair trade practices that continue to harm U.S. workers and businesses," the report said. "It will also make it a top priority to address the widespread human rights abuses of the Chinese government's forced labor program that targets the Uyghurs and other ethnic and religious minorities in the Xinjiang Uyghur Autonomous Region and elsewhere in the country."

Along with pursuing strong enforcement to ensure that China lives up to its existing trade obligations, USTR said the administration will also seek to collaborate with allies to address global market distortions created by industrial overcapacity. Key sectors range from steel and aluminum to fiber optics, solar and other sectors where the Chinese government has been a key contributor.

The president's agenda aims to create "millions of good-paying jobs and support America's working families" by tackling four national challenges– building a stronger industrial and innovation base so the future is made in America; building sustainable infrastructure and a clean energy future; building a stronger economy, and advancing racial equity across the board.

Biden "wants a fair international trading system that promotes inclusive economic growth and reflects America's universal values," the report said. "Trade policy must respect the dignity of work and value Americans as workers and wage-earners, not only as consumers." The agenda, it added, "will restore U.S. global leadership by combatting forced and exploitative labor conditions, corruption and discrimination against women and minorities around the world."

Through bilateral and multilateral engagement, the Biden administration will aim to build consensus around trade policies that address the climate crisis, bolster sustainable renewable energy supply chains, level the playing field, discourage regulatory arbitrage, and foster innovation and creativity, USTR said.

Naturally, a top priority of the trade agenda is to defeat Covid-19 and nurture an economic recovery. To that end, the Biden administration is focused on increasing vaccine production and distribution to ensure the population is vaccinated as quickly as possible. The trade agenda will support long-term investments to strengthen domestic production of essential medical equipment, expand industrial capacity and enhance preparation to tackle future public-health crises.

The trade agenda will also support the goal of ensuring that frontline workers have immediate access to necessary personal protective equipment and promote long-term supply chain resiliency for equipment and supplies critical to protecting public health in the U.S. Trade policy will also support the broader economic recovery by helping companies, including small businesses and entrepreneurs, put Americans to work by "building world-class products for export to foreign markets."

The Biden-Harris trade policy stresses that trade "must protect and empower workers, drive wage growth and lead to better economic outcomes for all Americans." The administration will review past trade policies for their impacts on and unintended consequences for workers.

"Workers will have a seat at the table as the Biden Administration develops new trade policies that promote equitable economic growth by including strong, enforceable labor standards in trade agreements that protect workers' rights and increase economic security," USTR said. "The administration will engage allies to secure commitments to fight forced labor and exploitative labor conditions, and increase transparency and accountability in global supply chains."

As part of the trade agenda, the United States will work with other countries, both bilaterally and multilaterally, toward environmental sustainability and raising global climate ambition. This will include the negotiation and implementation of strong environmental standards that are critical to a sustainable climate pathway.

The trade agenda will support the administration's comprehensive vision of reducing greenhouse gas emissions and achieving net-zero global emissions by 2050, or before, by fostering U.S. innovation and production of climate-related technology and promoting resilient renewable energy supply chains.

The Biden administration is also committed to a trade agenda that ensures that the concerns and perspectives of Black, Latinx, Asian American and Pacific Islander (AAPI), and Native American workers, their families, and businesses are a cornerstone of proposed policies, USTR said.

"Through thoughtful, sustained, engagement and innovative data collection and sharing, the Biden administration will seek to better understand the projected impact of proposed trade policies on communities of color and will consider those impacts before pursuing such policies," USTR said.

The president's trade policies also include restoring U.S. leadership around the world and repairing partnerships and alliances.

"The United States will work with World Trade Organization's (WTO) director-general, Okonjo-Iweala, and like-minded trading partners to implement necessary reforms to the WTO's substantive rules and procedures to address the challenges facing the global trading system, including growing inequality, digital transformation, and impediments to small business trade," USTR said. "The Administration will work with allies and like-minded trading partners to establish high-standard global rules to govern the digital economy, in line with our shared democratic values. Where gaps exist in international trade rules, the United States will work to address them, including through enhanced cooperation with our partners and allies."

Strong trade enforcement is also essential to ensuring trading partners live up to their commitments and that U.S. trade policy benefits American workers, manufacturers, farmers, businesses, families and communities. The trade agenda will include comprehensive enforcement of trade agreements, including their labor and environmental standards, the report said.

The administration will also consider new ways to address the suppression of wages and workers' rights in other countries to the detriment of U.S. workers. Although unilateral action may be necessary in some instances, President Biden will prioritize working on trade enforcement with friends and allies and pursue meaningful change for U.S. workers and businesses in the global trading landscape, USTR said.

Source: sourcingjournal.com– Mar 02, 2021

HOME

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Indonesia to Hit China, Bangladesh With Import Duties

Citing the fallout from the pandemic and a subsequent decline in gross domestic product (GDP), the Indonesian government has decided to impose a safeguard tax to help the nation's garment industry.

The duty will range from 44 cents to $11.29 per piece on ready-made garments imported from China, Vietnam, Singapore and Bangladesh, and is expected to be imposed within the next 90 days.

Last year, the Indonesian Textile Association (API) anticipated a compound annual growth rate (CAGR) of 5 percent for the textile and garment sector, but Covid-19 wreaked havoc with those plans, with the country's GDP dropping for the first time since the 1998 Asian financial crisis, contracting 2 percent year-over-year in 2020.

However, analysts believe that the path to recovery has already begun, spurred on by recovering household and capital spending. The government has also been working on helping apparel manufacturers by improving critical infrastructure like highways and ports, and helping ease business in terms of incorporation procedures under the recently introduced Omnibus Law.

While Indonesia has been one of the top 12 countries for apparel manufacturing and sourcing over the past two decades, global brands have also been paying attention to the fast-growing domestic market there. This is a two-sided coin, as many wonder if imposing a safeguard duty will dent the nation's $16.4 billion apparel market at home.

Many analysts believe that the growing number of consumers in Indonesia (the world's fourth-most-populous country, with a median age of 28.6) could turn to more upscale options in terms of shopping for both local and globally manufactured apparel.

An estimated 30 percent of Indonesia's total production goes toward meeting domestic demand, with the remainder exported to the U.S. (36 percent), the Middle East (23 percent), the EU (13 percent), and China (5 percent).

Meanwhile, the government is taking no chances in enhancing protection for the local apparel industry. Deliberations to impose the safeguard have been ongoing since November, after authorities launched a “safeguard investigation” that sought to determine “whether increased imports of a product are causing, or threatening to cause, serious injury to a domestic industry,” according to the World Trade Organization (WTO).

WTO noted that when local production is threatened by excessive imports, the safeguard measures can be imposed.

Bangladesh, which already faces a stiff 25 percent tariff for apparel imports into Indonesia, is set to be significantly affected when the duties take effect.

China, Vietnam and Singapore currently have duty-free access to the country.

Industry heads in Bangladesh are opposing this additional blow to its garment industry, which has been suffering outsize losses due to cancellation of orders from brands in the EU and the U.S.

“Imposition of additional duties adds to the burden on the industry,” said Mohammad Hatem, vice president, Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA).

Concerned about the fallout and impact on the Bangladesh sector, which exports an approximate $30 million worth of apparel to Indonesia, Rubana Huq, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), said that imports of $187 million worth of textiles in 2019 into Bangladesh from Indonesia put the balance in favor of Indonesia either way. “The import of textiles by Bangladesh, which goes to the production of export-oriented garments, is allowed to enter duty-free here,” she said.

Source: sourcingjournal.com– Mar 02, 2021

HOME

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US retail sales projected to exceed $4.33 trillion in 2021: NRF

The National Retail Federation (NRF) recently projected that US retail sales will grow between 6.5 per cent and 8.2 per cent to more than $4.33 trillion this year as more individuals get vaccinated and the economy reopens. Early results show that retail sales in 2020 grew by 6.7 per cent over 2019 to $4.06 trillion, nearly doubling its forecast of at least 3.5 per cent growth.

"Despite the continuing health and economic challenges COVID-19 presents, we are very optimistic that healthy consumer fundamentals, pent-up demand and widespread distribution of the vaccine will generate increased economic growth, retail sales and consumer spending," NRF president and chief executive officer Matthew Shay said in a statement.

"From the outset of the pandemic, retailers have gone above and beyond even the most conservative safety guidelines to protect and serve their associates and consumers alike. Retailers are increasingly engaged in working with federal, state and local health officials to distribute and administer the vaccine. This partnership has been key to our economic health throughout the pandemic and will continue this year," he added.

This figure compares with 3.9 per cent growth in 2019. Online and other non-store sales, which are included in the total figure, skyrocketed to 21.9 per cent at $969.4 billion as consumers shifted to e-commerce. The numbers exclude automobile dealers, gasoline stations and restaurants.

The 2020 November-December holiday season accounted for nearly a fifth (19.4 per cent) of overall annual retail sales. Retail sales during this period grew an unexpectedly high 8 per cent to $787.1 billion. Non-store and other online sales represented $206.9 billion of total holiday sales, up 22.6 per cent over the year before. NRF forecasts that online sales in 2021 are expected to grow between 18 per cent and 23 per cent to between $1.14 trillion and $1.19 trillion.

NRF expects the overall economy to gain between 220,000 and 300,000 jobs per month in 2021, depending on the pace of the overall economy in the second and third quarters. Despite the economy's stalled momentum at the end of last year, NRF forecasts real gross domestic product growth between 4.5 per cent and 5 per cent.

Source: fibre2fashion.com– Mar 02, 2021

HOME

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Garment, hard goods exports in Philippines may hit $2 bn: FOBAP

Exports of garments and hard goods in the Philippines may reach $2 billion this year as domestic garment units expect to receive up to $500 million worth new orders from global fashion brands, which are shifting their purchases from Myanmar to other countries, according to estimates by the Foreign Buyers Association of the Philippines (FOBAP).

FOBAP president Robert Young said the association has been receiving export orders and inquiries for garments from foreign buyers, including Zeeman Europe, Walmart and TJ Maxx in the United States, as well as Hudson's in Canada.

"Rough estimates totaling to $200 million to date have been booked and FOBAP projects double in quantity in the coming three to four months," he was quoted as saying by domestic media reports.

The group has received orders for baby clothing, men's athletic and sporting outfit, ladies' dresses and intimate apparel.

Young estimates that the additional orders may create about 10,000 to 20,000 jobs in factories located in Metro Manila and Cebu.

To support export activities, he called on the government to ease the community quarantine level. Factories should have access to loans to allow them to open and operate, he added.

Source: fibre2fashion.com– Mar 02, 2021

HOME

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Vietnamese apparel maker running 'face mask bus'

Dony Garment, a leading Vietnam apparel manufacturer, is distributing lifesaving antimicrobial face masks for free across Vietnam. It is operating the “face mask bus,” a bright yellow mobile donation station, which has a plan to give out 100,000 face masks. The masks are washable and reusable, made from three-ply 99.9 per cent antibacterial cloth.

The local distribution is part of the company's larger charitable efforts to get these life-saving masks out across the globe for free, including a recent donation of 100,000 reusable antimicrobial community face mask to the US.

“It is a part of being a good global supplier, that we happily provide masks for free through various ways,” said Dony Garment CEO Henry Pham. “It makes me happy to see this giant yellow bus, giving out masks in the safest way possible. The automation on this vehicle is incredible.”

“These masks are top of the line,” Pham said. “They’re washable and reusable, made from three-ply 99.9 per cent antibacterial cloth, and are water-resistant. They breathe well, but with our design using unique-nano-silver technology, they also offer extreme effectiveness. This is why our masks have been certified by some of the most stringent standards in the world.”

And unlike so many other types of masks, the Dony mask is washable and reusable, without losing effectiveness for up to 60 washes.

“We also know how important it is that a face mask be comfortable,” Pham said. “So, we have designed our masks to be able to be worn for the whole day comfortably in any setting imaginable.”

Moving into 2021 Dony Garment hopes to secure even more distribution points, in order to get their masks out to the people in areas that need them the most. So far, their partnerships have been fruitful, shipping to wholesalers across the globe.

“Our masks are available to wholesalers and distributors anywhere in the world, especially those based in the US, the Middle East, and the EU market,” Pham said. “And with our high-quality low-cost manufacturing process, we can offer those masks at a price point that ensures almost any business model can profit from selling them."

Dony Garment also offers direct distribution for business purposes and is offering exclusive partnerships. Dony Mask has exclusive distributors in Australia, New Zealand, Belgium, Malaysia, UAE, Canada.

"We try to cover every base when it comes to ensuring each of our business partners has complete trust in our company, our product, and our ability to deliver an amazing product at bulk prices," Pham said. "We offer free samples, trial orders, and branding opportunities with logo and label service available. It's great for corporate unity or to promote a brand."

With their one-size-fits-all design and variety of colour options, when paired with a corporate logo or label, the masks can be customised to suit any business need. "It continues to be important to keep workers safe, and one of the few things known to work is a face mask," Pham said. "We want to ensure that every business large and small across the globe has access to these incredible masks, to help make the most out of a bad situation, but also to help keep employees, customers, clients, families, and friends as safe as possible."

Source: fibre2fashion.com– Mar 03, 2021

HOME

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Jordan govt urged to impose tax on online purchases from abroad

Asad Qawasmi, who represents the garment and jewellery sector at the Jordan Chamber of Commerce (JCC), recently renewed calls for imposition of tax on items and goods bought online from outside the country. His remarks followed a recent government decision to expand a customs duty exemption for goods bought and shipped from abroad for personal use.

According to the government decision, individuals can now buy and ship packages from abroad provided the value of a package does not exceed JD200, while the exemption before the new decision was JD100 per package.

A fixed 10 per cent fee will still be imposed on packages whose value is JD200 or less, a news agency reported.

Qawasmi stressed the need to ensure 'justice' for the conventional trade sector, which, he said, pays taxes and fees and incurs operating costs while e-commerce pays much less.

The apparel and footwear sector is the hardest-hit due to online shopping, he lamented.

The e-commerce sector should be encouraged but with 'fair standards' to regulate it, he added.

Source: fibre2fashion.com– Mar 03, 2021

HOME

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Bangladesh: Rising global cotton prices lockdown in EU US push up yarn costs

The yet to recover apparel business and fresh lockdowns in EU and US has led to a 40 per cent increase in Bangladesh' yarn prices, says Md Fazlul Hoque, Managing Director, Plummy Fashions. As per Textile Today, prices are expected to stabilize in coming months with an increase in production. Demand is likely to rebound on recovery from the pandemic leading to a decline in cotton stocks, says an ICRA report. However, absolute cotton stocks, as well as cotton stock-to-use ratio, are expected to remain high.

The rise in local yarn prices can be attributed to growing international cotton prices that also affected Bangladesh's garment shipments, especially of knitwear, during the ongoing pandemic, says Monsoor Ahmed, Secretary, Bangladesh Textile Mills Association (BTMA).

Yarn production gathers momentum

Another reason for the rise in yarn price was an increase in transport costs to cotton mills which adds to importer's costs. The rise in cotton prices in international markets could be attributed to increased imports by China, the largest consumer worldwide. This year, China aims to import an additional five lakh bales to take the total to 1,000 lakh bales to tame its local market.

Despite being major cotton producers, China and Pakistan have increased their import targets as the price of cotton manufactured in China is high. On the other hand, Pakistan does not produce the required quantity, hence it plans to import an additional four lakh bales, indicates United States Department of Agriculture (USDA) report.

However, Bangladesh may reduce its import by five lakh bales in the cotton marketing year (August to July) of 2020-21 as cotton prices now exceed pre-pandemic levels for factors including a recovery in use by mills, says the USDA report.

The ICRA report shows, cotton yarn production increased 4 per cent between September to October 2020 and 35 per cent in the seven months of current financial year. As per Ashwin Chandra, Chairman, SIMA, production has picked up and is expected to continue rising in the next two-three months, stabilizing prices.

Mills reopening cool off prices

The reopening of spinning mills is also expected to cool off increased prices as all old stock is expected to be used. Shahid Alam, Vice-Chairman of Shah Fatehullah Textile Mills and Jalal Ahmed Spinning Mills, says, over the last two months, old stock has been reducing gradually and demand for yarn was improving in local market, though it is yet to reach pre-pandemic levels.

The exorbitant rise in yarn prices is affecting the handloom sector. In the last 3-4 months, cotton yarn and artificial yarn prices have surged 50-60 per cent and currently prices are 20-30 per cent higher than in the pre-COVID-19 era.

Source: fibre2fashion.com– Mar 03, 2021

HOME

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Bangladesh appeals against Indonesia's safeguard duty on apparel exports

Bangladesh has appealed against Jakarta's imposition of safeguard duty on export of apparel items to Indonesia. On February 23, the committee on safeguards of the World Trade Organization (WTO) issued a notification on the duty imposition.

As per this notification, Jakarta imposed a safeguard duty ranging from $0.44 to $11.29 per piece on readymade garments (RMG) from Bangladesh, China, Vietnam and Singapore. The RMG items include top garments (casual), top garments (formal), bottom garments, suits, ensembles and dresses, outwear, babies' garments and clothing accessories, and headwear and neckwear.

Opposing this imposition, Hafizur Rahman, Director General-WTO Cell, Commerce Ministry, said a Bangladesh delegation comprising representatives of commerce ministry, Bangladesh Trade and Tariff Commission, and Bangladesh Garment Manufacturers and Exporters Association (BGMEA) took part in a hearing in November last year.

Indonesia's textile association appealed to the Safeguards Committee saying the country's RMG import was hurting the domestic apparel makers. Subsequently, the Indonesian Safeguards Committee conducted an investigation in 2017-2019 and came up with the measure.

Source: fashionatingworld.com– Mar 01, 2021

HOME

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Pakistan: Duty-free yarn imports demanded to save textile exports

Value-added textile exporters on Tuesday urged the government to allow duty-free import of cotton yarn to reverse downtrend in exports.

Addressing a news conference, representatives of Council of All Pakistan Textile Association and Pakistan Apparel Forum said they have been drawing the attention of the government, through appeals and press statements, towards unavailability and shortage of cotton yarn – which is the basic raw material – for last five months.

If cotton yarn's duty-free import is not allowed, exporters will go for countrywide protests, they said without elaborating whether or not protest implies shutdown of factories.

Value-added textile contributes to around 62 percent in total exports, provides 42 percent urban employment particularly to female workforce, earns highest foreign exchange and supports approximately 40 allied industries.

Zubair Motiwala and Jawed Bilwani said 4.5 percent decrease in exports endorses the viewpoint of exporters that unavailability of cotton yarn would hurt the export orders, which will further be diverted to other competing countries if the cotton yarn is not made available in the required quantity.

Exports fell 4.5 percent year-on-year to $2 billion in February after maintaining the growth pace for five months.

They cautioned the government about the dire consequences of not allowing duty-free import of cotton yarn and not banning export of cotton yarn to save the exports, industries and employment.

The government has closed its eyes wide shut towards to looming cotton yarn crisis which is extremely deplorable and discriminatory conduct on part of the government, they said. Lack of cotton yarn simply means decline in value-added textile exports.

Decrease in cotton production has created a shortfall, while demand also increases as exporters have struggled hard to get maximum orders during the last six months.

Exporters also lamented that whenever the value added textile industry takes off with its full potential, some adverse thing happens and all the hard efforts of exporters are put at stake due to some anti-exports move from the government side.

Disconnection of gas to captive power plants of export industries depicted a bleak picture of Pakistani exporters in eyes of foreign buyers worldwide and now the government's thoughtlessness towards not allowing duty free import of cotton yarn will push the export industries towards disaster.

Textile exporters are also highly perturbed over the dubious dealings of spinners who have taken advance payments with commitments to supply cotton yarn but have dishonored their commitment to supply cotton yarn. Yarn being supplied is also of sub-standard quality.

Source: thenews.com.pk – Mar 03, 2021

HOME

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NATIONAL NEWS

India's exports in February decline marginally by 0.25 per cent

Trade deficit widens as imports rise 6.98 per cent during the month

India's goods exports in February 2021 declined marginally by 0.25 per cent to $ 27.67 billion (year-on-year) after increasing for two consecutive months as major commodities including petroleum, engineering goods, gems & jewellery, ready-made garments and leather products suffered a set-back.

Trade deficit during the month widened by 25.84 per cent to $12.88 billion with imports posting a rise of 6.98 per cent in February 2021 to $40.55 billion, as per preliminary data released by the Commerce and Industry Ministry on Tuesday.

Value of non-petroleum and non-gems and jewellery exports in February 2021, however, increased by 5.65 per cent to $ 22.48 billion.

On a positive note, exporters' body Fieo pointed out that the fall in exports during the month was marginal and signs of revival continued not only in the order booking positions but also in the demand from across the globe. "This could pave the way for much better days and months ahead for the sector," Fieo President S K Saraf said.

One area of concern that needed to be sorted out was the rising exports from China which had led to a shortage of containers in the region as most of the empty containers are available only for exports from China, Saraf pointed out. This is because shipping lines and container companies are being paid hefty premiums for bringing empty containers back to China.

Non-oil, non-GJ (gold, silver & precious metals) imports posted a higher growth of 7.4 per cent in February 2021 to $ 23.85 billion.

"While the overall non oil imports were in line with our expectations, this masks a spike in gold imports, counter-balanced by a month-on-month dip in non oil non gold imports," said Aditi Nayar, Principal Economist, ICRA Limited.

Following the Budget, in February 2021, gold imports surged to the highest level since November 2014, she said, adding that with gold imports remaining elevated for the last three months, the total value of shipments in the current fiscal may modestly exceed the level of $28.2 billion seen in the previous fiscal.

Exports during April-February 2020-21 posted a fall of 12.32 per cent to $ 255.92 billion while imports during the period were 23.09 per cent lower at $ 340.88 billion, compared to the same period last fiscal.

Major commodities of export which have recorded growth during the month include drugs & pharmaceuticals (14.58 per cent), meat, dairy & poultry (26.43 per cent), other cereals (542 per cent), oil meals (244.12 per cent), iron ore (167.79 per cent), spices (18.46 per cent), tobacco (7.69 per cent), handicrafts and handmade carpets (13.14 per cent), chemicals (1.16 per cent) and ceramic products (10.8 per cent).

Growth in imports in February 2021 was led by gold (123.95 per cent), electronic goods (37.77 per cent), chemicals (37.61per cent), iron & steel (23.41 per cent), ores (29.52 per cent), pharmaceutical products (15.38 per cent) and wood products (18.56 per cent).

Source: thehindubusinessline.com– Mar 02, 2021

HOME

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Udyog Manthan: Marathon of focused webinars for promoting Quality and Productivity in Indian Industry concluded (4th January - 2nd March 2021)

Hon'ble Prime Minister Shri Narendra Modi ji gave the clarion call to focus on quality when he said that it is an opportune moment for India to work on the ethos of 'Zero Defect, Zero Effect'. He urged the Indian manufacturers and other industry leaders to ensure that our products meet global standards.

Taking inspiration from his vision, Udyog Manthan, a marathon of webinars covering 46 sectors focussing on quality and productivity in all major sectors of manufacturing and services, started on January 4, 2021. The collaborative exercise was an initiative of the Department of Promotion of Industry and Internal Trade (DPIIT) in association with the DoC, QCI, NPC, BIS, Industry Chambers and all concerned ministries. The valedictory session of the webinar series held on March 2, 2021 had a special address from Shri Som Parkash, Minister of State for Commerce and Industry, and Keynote address by Shri Piyush Goyal, Minister of Railways, Commerce and Industry, and Consumer Affairs, Food and Public Distribution.

During the last eight weeks, 46 sessions on various manufacturing and service sectors, covering almost 70% of GDP have been conducted including Automobile, Steel, Pharma, Defence, Cement, Textiles, Chemicals, Tourism/Hospitality, Financial Services, Biotechnology, New and Renewable Energy, amongst others. With 393 speakers and 17,000+ viewers on other various media platforms and an approx 6.5 million+ social media impressions, this Manthan drew a very enthusiastic response. Issues related to the quality of products and productivity of units have been discussed in sector specific webinars.

These sessions were led by a senior officers from the concerned ministry, moderated by sector experts, and deliberated by experienced and expert panelists. The sessions were also streamed live on YouTube, Facebook and other social media platforms.

Many high-profile International speakers and experts have shared valuable insights on global best practices in improving Quality and Productivity. Recommendations on all major sectors are being consolidated in a sectoral compendium to be published soon.

Shri Piyush Goyal said that Quality is not an accident, it is a result of painstaking effort. It never has any cost and is always a win-win. Quality enhances productivity, brings down cost, increases efficiency, delivers economies of scale, brings consistency, eliminates waste and drives growth. He emphasised that Quality is non-negotiable if we want to 'Make in India'.

He urged the nation to make sure that 'Brand India' gets identified by quality & engages with the rest of the world on the strength of its cost competitiveness and high quality in goods, services and all other spheres of economic activity. He appreciated the efforts taken by the DPIIT along with DoC, QCI, NOC, BIS, other ministries and organizers to conduct 'Udyog Manthan' of this grand scale.

The minister said that initiative is just the beginning of a Quality and Productivity revolution in the country, which can change the destiny of India and further the Aatmanirbhar Bharat vision of PM Modi.

Source: pib.gov.in– Mar 02, 2021

HOME

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Prime Minister inaugurates Maritime India Summit-2021 virtually

Prime Minister Shri Narendra Modi inaugurated 'Maritime India Summit 2021' through video conferencingtoday. Minister of Transport of Denmark Mr Benny Englebrecht, Chief Ministers of Gujarat and Andhra Pradesh, Union Ministers Shri Dharmendra Pradhan and Union Minister of State (I/C) for Ports, Shipping And Watwerways, Shri Mansukh Mandaviya, were present on the occasion.

In his welcome address, Shri Mansukh Mandaviya said that the Maritime India Summit is one of the biggest virtual summits in the world, with the participation of more than 1.7 lakh registered participants from more than 100 nations. In this three-day summit, we will have ministers from 8 nations, more than 50 global CEOs and more than 160 speakers which includes 115 international speakers from 24 nations.

Shri Mandaviya further assured all stakeholders in the sectors and investors from across the globe and said that Government of India is all geared up for facilitating and grounding the investments in the maritime sector and our role in the vision of 'Aatmanirbhar Bharat'.

Prime Minister released e-book of ' Maritime India Vision-2030'. Maritime India Vision 2030 is aiming to make the Indian Maritime Industry at par with top global benchmarks in next 10 years.

Prime Minister also unveiled the e-plaque of 'Sagar-Manthan':Mercantile Maritime Domain Awareness Centre(MM-DAC). It is an information system for enhancing maritime safety, search and rescue capabilities, security and marine environment protection.

Speaking on the occasion, the Prime Minister invited the world to come to India and be a part of India's growth trajectory. India is very serious about growing in the maritime sector and emerging as a leading Blue Economy of the world,he said.

Prime Minister noted that instead of a piecemeal approach focus is on the entire sector as one. He informed that capacity of major ports have increased from 870 million tonnes in 2014 to 1550 million tonnes now. Indian ports now have measures such as: Direct port Delivery, Direct Port Entry and an upgraded Port Community System (PCS) for easy data flow.

Our ports have reduced waiting time for inbound and outbound cargo. He also informed that mega ports with world class infrastructure are being developed in Vadhavan, Paradip and Deendayal Port in Kandla.

The Prime Minister concluded while inviting the global investors, “India’s long coastline awaits you. India’s hardworking people await you. Invest in our ports. Invest in our people. Let India be your preferred trade destination. Let Indian ports be your port of call for trade and commerce.”

Video Link of the programme: https://youtu.be/t46PPbw3YGc

Source: pib.gov.in– Mar 02, 2021

HOME

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Indian economy on 'upswing'; govt set to spend more along with pro-growth reforms: Panagariya

India's economy is on an "upswing" and the government's plans for increased spending comes in the backdrop of pro-growth reforms, former Niti Aayog Vice Chairman Arvind Panagariya said on Tuesday even as he opined that it might take longer to become a USD 5 trillion economy due to the coronavirus pandemic-induced disruptions. In an interview to PTI, the eminent economist described the government's decision to privatise two public sector banks next fiscal as an "unprecedented" effort to "finally right a wrong done 50 years ago".

He was apparently referring to former Prime Minister Indira Gandhi's move to nationalise banks. Panagariya, who is currently a Professor of Economics at the Columbia University, said the country's GDP growth in October-December 2020 quarter returned to a hair's breadth above its level a year ago. "At 0.4 per cent, the year-on-year growth in GDP may seem low but given the large negative growth during the preceding two quarters ((-)24.4 per cent during April-June and and (-)7.3 per cent during July-Sept), the quarter-on-quarter growth momentum is very strong," he said.

According to him, there are signs that the government is clearing past arrears at an accelerated pace and has also provided for doubling of government expenditure in the current quarter over the same quarter last year. "These facts would help boost demand and give further impetus to growth at a time when the economy is on the upswing... So the news on the growth front is very encouraging," he said. To a query on whether it will be feasible now for India to achieve the target of becoming a USD 5 trillion economy by 2024-25, he said that given the unexpected COVID shock, "we may have to wait a year or two longer".

In 2019, Prime Minister Narendra Modi envisioned to make India a USD 5 trillion economy and global power house by 2024-25. The pandemic has hit the economy hard and the country's GDP is projected to contract nearly 8 per cent in the current fiscal ending March. On whether he is in favour of reviewing the 2-6 per cent target inflation band, Panagariya said, "I would favour revising the target up by 1 percentage point".

In the past, he said the Monetary Policy Committee (MPC) had been quite reluctant to let the inflation rate rise above 4 per cent even though it has the room up to 6 per cent and was quite comfortable with the inflation staying around 2 per cent. “Healthy GDP growth requires greater room for prices to adjust. Besides, enterprises draw up investment plans based on the growth of profits in nominal terms,” he said, adding that the government wants low inflation to protect the poor but what matters for the poor is food inflation over which the RBI has very little control.

The inflation target for the Reserve Bank of India’s MPC for the next five years starting April is likely to be notified around mid-March. The current medium-term inflation target, which was notified in August 2016, ends on March 31. On the government’s proposed asset reconstruction company and asset management company, Panagariya said, “one or the other way, we need a rapid clean up of NPAs”.

If the government can move swiftly to set up the bad bank and take out the bad assets from the bank balance sheets, it will be a major step in the right direction, he said. “If it (government) cannot do that fast, it should be prepared to recapitalise the banks on a much larger scale than currently provided.” Replying to a question on fiscal expansionism, Panagariya said if the government had chosen to only expand spending to boost growth, ratings agencies may have seen it unfavourably. “But the increase in spending has been proposed in the backdrop of a large number of pro-growth reforms, including a massive privatisation programme and creation of a “Bad Bank” to clean up NPAs,” he said.

Noting that the rating agencies look at what the government does holistically than focus on just one indicator such as fiscal deficit, he said, “I see no danger from the ratings agencies”. On agitation by farmers against the new farm laws, Panagariya pointed out that discussions on APMC reforms are now 20 years old and every central government since Prime Minister A B Vajpayee has promoted the reforms.

Source: financialexpress.com– Mar 02, 2021

HOME

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‘African Continental FTA signals opportunity for Indian businesses’

The African Continental Free Trade Area (AfCFTA) signals a great opportunity for Indian businesses to partner with African counterparts for greater integration and fast-tracking their development, said Rahul Chhabra, Secretary-Economic Relations, Ministry of External Affairs.

“Out of 54 African countries, we have Indian projects operating in 48 African countries with 75 projects worth $ 13 billion….This is the size of our commitment to the African Continent,” he said at the inaugural programme of `Namaskar Africa’ organised by FICCI on Monday.

Relationship between India and Africa must be augmented to the level that will benefit Africa, pointed out Daniel Peter Othol, Dean, African Group of Heads of Missions in India, and Ambassador of South Sudan. He said the African economy had melted due to the pandemic and Africa is looking at the Indian subcontinent for assistance.

“We want India to mechanise African agriculture, to build our social and physical infrastructure and the health and educational needs, especially during the era of Covid-19,” he said. Othol added that there is an urgent need to boost the immunity of the population of Africa, and, therefore, it is looking at India for vaccines.

India’s vaccine supplies have gone out to maximum African countries and many more are committed, said Chhabra, adding that the country was working with the partners and the supply of vaccine to other African countries will be rolled out shortly. “We have kept our resources open and are waiting for approval from partner countries for a seamless movement of vaccine supplies,” he said.

The first cement plant in Djibouti, the first milk processing plant in Mauritania and the first sugar plant in Ghana are the first steps towards developing a stronger partnership in the manufacturing sector by plants set up by Indian lines of credit, said Chhabra. “We want to be forward-looking and forward-thinking to see how the partner countries can benefit from our collaborations,” the MEA Secretary added.

Source: thehindubusinessline.com– Mar 03, 2021

HOME

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PLI Schemes: PM Modi to meet industry captains on March 5

Prime Minister Narendra Modi is scheduled to meet captains of India Inc on March 5 to deliberate on various production-linked incentive (PLI) schemes that were announced in the aftermath of the Covid-19 outbreak to draw investments from large companies and boost manufacturing.

The industry leaders who are expected to attend the virtual meeting include N Chandrasekaran (Tata Sons), RC Bhargava (Maruti Suzuki India), Sajjan Jindal (JSW Steel), TV Narendran (Tata Steel), Gopal Vittal (Bharti Airtel), Pawan Goenka (M&M) and Sangita Reddy (Apollo Hospitals), Satish reddy (Dr Reddy's), Manish Sharma (Panasonic India), Manoj Kohli (SoftBank India), Hemant malik (ITC) and RS Sodhi (Amul). Their feedbacks will be used to further bolster the implementations of these schemes, said a government official.

Shedding the historical, costly bias in favour of small companies, the government has earmarked big bucks for big firms under the PLI schemes. The total incentives under 13 such schemes, covering sectors including telecom, electronics, auto part, pharma, chemical cells and textiles, stood at Rs 1.97 lakh crore over a five-year period.

The idea was to lure mainly large companies to create "global champions" out of India that have the potential to grow in size using cutting-edge technology and can, thereby, penetrate the global value chains.

The virtual meeting is part of the Modi government's various initiatives to fast rekindle growth impulses through a virtuous cycle of investments and soften the Covid blows to the economy.

The Prime Minister has already addressed a series of webinars on various proposals of the Budget for FY22 to ensure proper and swift implementations.

Investments remain critical to the country's resurgence story, as private consumption has been badly bruised by income losses in the aftermath of the pandemic.

Although a contraction in gross fixed capital formation reversed a 46.4% year-on-year slide in the first quarter to register a rise of 2.6% in the three months through December, it still remained far below trend. Private consumption, meanwhile, shrank at a faster pace of 2.4% in the December quarter.

With the businesses going through the reset phase after the substantial lifting of the lockdown curbs, the government hopes to make a sustained push now to draw investors.

Source: financialexpress.com– Mar 02, 2021

HOME

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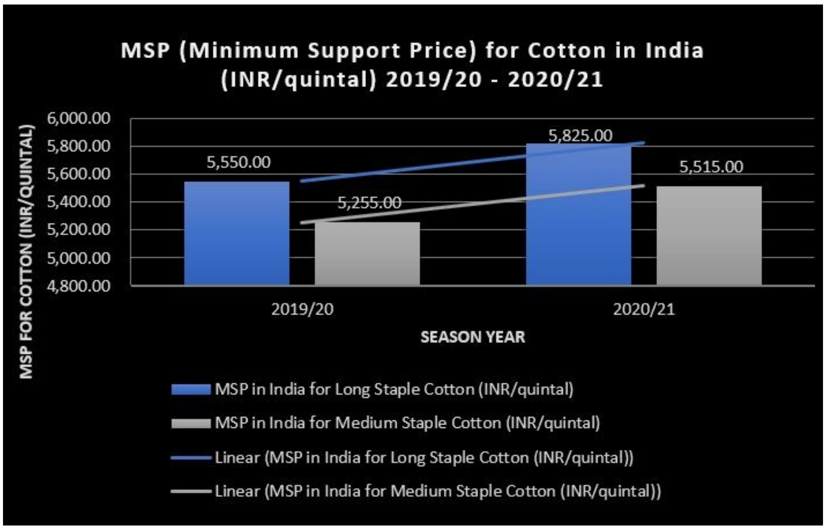
MSP of Indian cotton rising steadily

The minimum support price (MSP) of cotton purchase increased 134.79 per cent in December 2020 to 3874000 bales from 1650000 bales in previous month and rose by 78.44 per cent in January 2021 to 3121000 bales from 1749000 bales in January 2020. The boost was caused due to strong international cotton market, recovering crude & mitigation of Sino-US trade battle.



The MSP for both long staple cotton and medium staple cotton has increased by 4.95 per cent from 2019/20 to 2020/21. The prices of medium staple cotton and long staple cotton were 5,255 INR/quintal and 5,550 INR/quintal in 2019/20 and surged to 5,515 INR/quintal and 5,825 INR/quintal in 2020/21 respectively. According to India's MSP programme, the prices of cotton are set at 150 per cent of the estimated cost of production.

The major upswing for the MSP for cotton in India had started in June 2020. The MSP of cotton climbed to 3696000 bales in January 2021 from 1460000 in December 2020 with a rise of 153.15 per cent.

Due to disruptions caused by the pandemic in the cotton supply chain, the government of India has supported the scheme of MSP for cotton during the year 2019/20. The scheme protects the cotton producers from the challenges faced due to market fluctuations in the cotton industry.

Source: fibre2fashion.com– Mar 02, 2021

HOME

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India will invest $82 billion in ports by 2035, says PM

More than 574 projects have been identified for implementation between 2015 and 2035 under the Sagarmala Project

India will invest $82 billion in port projects by 2035, raise share of clean renewable energy source in maritime sector, develop waterways and boost tourism around lighthouses as part of port-led development, Prime Minister Narendra Modi said on Tuesday.

Speaking at the Maritime India Summit, he invited global investors to invest in Indian ports, shipyards and waterways.

More than 574 projects, costing $82 billion, or ₹6 lakh crore, have been identified for implementation between 2015 and 2035 under the Sagarmala Project, he said.

The government, he said, is looking to operationalise 23 waterways by 2030. "Ours is a government that is investing in waterways in a way that was never seen before. Domestic waterways are found to be cost effective and environment friendly ways of transporting freight," he said.

Also, plans have been drawn for developing tourism on land adjacent to 78 out of 189 lighthouses on Indian coastline.

"This with the objective of enhancing development of the existing lighthouses and its surrounding areas into unique maritime tourism landmarks," he said adding the government has also initiated holistic development of islands.

Alongside, the usage of clean renewable energy in the maritime sector is being raised.

"We are in the process of installing solar and wind based power systems in all the major ports across the country. We aim to increase usage of renewable energy to more than 60 per cent of all energy by 2030 in three phases across Indian ports," he said.

Modi said, Indian ports have reduced waiting time for inbound and outbound cargo. "India is very serious about growing in the maritime sector and emerging as a leading Blue Economy of the world," he said.

The government of India is also focusing on the domestic shipbuilding and ship repair market, Modi said adding to encourage domestic shipbuilding, a Shipbuilding Financial Assistance Policy for Indian Shipyards has been approved.

"India's long coastline awaits you. India's hardworking people await you. Invest in our ports. Invest in our people. Let India be your preferred trade destination. Let Indian ports be your port of call for trade and commerce," he added.

Source: thehindubusinessline.com– Mar 02, 2021

HOME

****

Sri Lanka clears Indian investment at another Colombo Port terminal

West Container Terminal opened for development by India and Japan

Sri Lanka on Tuesday said it will develop the West Container Terminal at Colombo Port along with India and Japan, in a 360 degree-policy turn from a month ago, when the two partners were ejected from a 2019 tripartite agreement to jointly develop the East Container Terminal, amid port unions' resistance to "foreign involvement".

Briefing the media on decisions taken at Monday's weekly Cabinet meeting, spokesman Keheliya Rambukwella said approval had been granted to develop the WCT with investors nominated by India and Japan. While India has named Adani Ports, which was earlier nominated to invest in the ECT, Japan is yet to respond, the Minister said.

After Sri Lanka reneged on the 2019 agreement, signed by the former Maithripala Sirisena-Ranil Wickremesinghe government, Colombo offered the WCT as an alternative, allowing the foreign investors to hold a higher stake.

In the ECT project agreed upon earlier, the Sri Lanka Ports Authority (SLPA) was to hold 51 per cent stakes. In the WCT proposal, cleared now, India and Japan will be accorded 85 per cent stake, similar to the nearby Colombo International Container Terminal (CICT), where China Merchants Port Holdings Company Limited holds 85 per cent stake, the authorities said.

Source: thehindubusinessline.com– Mar 02, 2021

HOME

****

Right push for start-ups

But the sector needs more incentives to flourish

The Covid pandemic has forced us to rewire our expectations. It has forced us to differentiate between what we need and we want. More importantly, it has enabled us to think differently and find out-of-the-box solutions for everyday problems. It's in situations like these that start-ups thrive. And, while the year that has gone by has been tough, the Indian start-up ecosystem has been resilient.

The Economic Survey gives us interesting numbers. As of December 2020, India was home to over 41,000 start-ups collectively employing nearly half a million. By solving problems creatively, 38 Indian start-ups have achieved unicorn status, igniting ambition in the rest. There's immense opportunity for the world's third-largest start-up ecosystem that's on track to close in 2021 with an additional dozen joining the unicorn club.

Potential recognised

With the 2021-22 Budget, the Government has finally recognised the potential that start-ups bring to the table and their need for some breathing room following a difficult year. Doubling allocation to the MSME space to ₹15,000 crore and approving the ₹945-crore 'Start-up India Seed Fund' scheme are both indicative of that. A year's extension in the tax holiday and capital gains exemption will prove to be beneficial for start-ups that have faced the brunt of the pandemic. Also, restructuring the angel tax, which would have gone a long way in enabling funding for promising enterprises, would have been welcome.

Finance Minister Nirmala Sitharaman has also proposed the incorporation of one-person companies with no restriction in paid-up capital and turnover. The provision to convert to any type of company later on is thoughtful too, further fuelling a budding entrepreneur's confidence. By allowing NRIs to set up one-person companies, India's unique talent pool will gain global expertise.

Concrete measures towards easing debt and enabling easy credit access for SMEs and start-ups would have helped boost confidence. Sure, banks getting recapitalised with ₹20,000 crore will enable room for increased credit. However, it remains to be seen how this trickles down to the start-up ecosystem.

That said, there's a signal of intent in the form of raising the FDI limit from 49 per cent to 72 per cent in the insurance sector, with appropriate safeguards in place. This will spur on a lot of innovation in the digital insurance space. A similarly liberal policy being carried over to other key sectors such as fintech, edtech and e-commerce is key to unlocking their full potential.

Finally, setting up social security and minimum wage for platform/gig workers will positively impact over 15 million employees across the food, logistics and IT sectors. An outlay of ₹50,000 crore towards the National Research Foundation ensures creativity isn't held back by a barrier of language. This is likely to benefit tech-intensive spaces. A sum of ₹3,000 crore earmarked for upskilling is welcome too.

The Government's push for start-ups raising capital domestically is understandable. However, to reduce dependency on foreign capital, alternative avenues need to be promoted. This could include enabling direct investment from domestic institutions (insurance companies and pension funds) into start-ups, or encouraging retail investment. Friendly guidelines for IPO listing would further enable start-ups to raise capital domestically.

The final piece of this puzzle is a favourable environment for these companies to grow, and incentives that promote not just investment but also entrepreneurship.

Source: thehindubusinessline.com– Mar 02, 2021

HOME

****

TIDITSSIA keen on establishing mini textile park in Manapparai

Seek support of leading exporters in Tiruppur

The Tiruchi District Tiny and Small Scale Industries Association (TIDITSSIA) is keen on establishing a mini textile park as a hub for readymade garments manufacturing units in Manapparai area, with the support of leading exporters in Tiruppur.

The association intends to make use of the ₹ 2.5 crore subsidy offered by the State government for starting small textile clusters/parks. The State Government, as per the new textile policy, will offer 50% of the cost to create roads, a sewage treatment plant and a captive power plant.

Ten entrepreneurs could form a cluster and set up a mini-textile park on ten acres. The entrepreneurs should buy the land and establish a minimum of ten worksheds to get the subsidy, sources said.

According to industrialists here, a mini textile park planned by the TIDITSSIA in Manapparai area will pave way for the further development of the readymade garments business in Puthanatham town.

Most of the more than 50 readymade garment manufacturers in Puthanatham, located about 17 km away from the Manapparai town, have specialised in making churidars and children's apparel of export quality. They undertake frequent study visits to Mumbai.

The Mini Textile Park scheme, under the policy, has to be implemented through formation of a Special Purpose Vehicle. “We will be approaching representatives of textile sector in Tiruppur shortly,” TIDITSSIA president R. Ilango said.

The association sees the SIPCOT Industrial Estate coming up in Manapparai as an ideal location for the purpose, with a special focus on promoting export. With good road and rail connectivity, a mini textile park in Manapparai will generate substantial employment in the town and surroundings.

Vice-president of Tirupur Exporters and Manufacturers Association N. Murali said the manufacturers were looking forward to establishing production units across Tamil Nadu. The scope for a Joint Venture with TIDITSSIA will be explored, Mr. Murali said.

The TEAMA is playing a pivotal role for establishing a textile park in Nagapattinam district. The Veda Textile Park to be established on about 50 acres of land at a cost of ₹ 120 crore with cutting sewing, packing and despatching units, is expected to generate 7000 jobs.

Source: thehindu.com– Mar 02, 2021

HOME

****

KVIC's e-market portal promotes indigenous Indian products

The Khadi and Village Industry Commission's (KVIC) foray into the online marketing segment has resulted in a gross turnover of over ₹1.12 crore in just eight months of the launch of its dedicated portal for the same. Launched on July 7 last year, Khadi e-portal has delivered orders to over 10,000 customers out of the 65,000 who visited the portal to date.

KVIC has also delivered more than a lakh articles and commodities to these customers, it claimed in a press release.

During this period, the average online purchase has been recorded at ₹11,000 per customer.

KVIC takes care of all logistics and infrastructure support like cataloguing, product photoshoot, maintaining online inventory and packaging and transportation of goods to the customers' doorsteps. This reduces associated costs.

Khadi's online sale, which started with just khadi face masks during the COVID-19 lockdown, has evolved into a full-fledged e-market platform with nearly 800 products.

The product range includes hand-spun and hand-woven fine fabric like muslin, silk, denim and cotton, unisex Vichar Vastra, trendy Modi kurta and jackets, a signature wrist watch, a variety of honey, herbal and green tea, herbal medicines and soaps, mustard oil, cow dung-cow urine soaps and a range of herbal cosmetics.

Source: fibre2fashion.com– Mar 02, 2021

HOME

****

Resolving seizure of goods, conveyance issue to be taxing

Settling matters related with seizure of goods and conveyance may prove troublesome once amendment in GST Law through Finance Bill, 2021 gets enacted.

The Finance Bill has proposed amendment in Sections 74, 107(6), 129 and 130 of CGST law, which are related to the transport and storage of goods during transit. The Lok Sabha is scheduled to consider and pass the Finance Bill 2021 during the second half of the Budget session starting March 8. The change in the law that has been proposed is — goods can be released on payment of penalty equal to 200 per cent of tax payable on such goods or 50 per cent of the value of goods (100 per cent of value of goods on account of both CGST & SGST), whichever is higher.

Expert view

According to Aditya Singhania, Partner with Singhania's GST Consultancy & Co, undoubtedly, the cash outflow will remain the same as the current provision of law is merely divided under the heads of tax and penalty. The dispute over adjustment of such 'tax' paid seems to come to rest with this proposal as it is now proposed to classify entire 200 per cent of tax payable as 'penalty' which will have a bearing on income tax payable and also shall be disallowed completely for income tax purpose, he clarified.

A GST assessee can appeal against detention by paying a pre-deposit of 10 per cent of tax. However, the Finance Bill, 2021 proposes that appeal can be filed under Section 129(3) only when a sum equal to 25 per cent of penalty has been paid by the appellant.

Singhania said 'tax and penalty' has been proposed to be replaced by "penalty", it is certain that the pre-deposit required for filing an appeal against such cases has been increased significantly , that is, base amount of penalty as well as the percentage (from 10 per cent of tax subject to maximum of ₹25 crore to 25 per cent of penalty) of pre-deposit have been increased.

"Filing of an appeal is a statutory right and the provisions of appeal should be such that the privilege to file an appeal should not be a deterrent to the factor of cash outflow. Further, pre-deposit should ideally be a certain percentage of tax and not penalty, therefore, if calculated in terms of tax, it would amount to 50 per cent of tax which is equal to 25 per cent of penalty in this case," he said.

Source: thehindubusinessline.com– Mar 02, 2021

HOME

****

Walmart plans to triple exports from India to $10 bn annually

Walmart recently launched a new Vriddhi e-Institute in Agra to provide small businesses in Uttar Pradesh access to skills and competencies to grow in a post-pandemic environment through online and offline channels like Flipkart's marketplace and Walmart's international supply chain.

With this, Walmart is expanding its Vriddhi Supplier Development Programme towards empowering 50,000 micro, small and medium enterprises (MSMEs) across India for growth.

The program provides MSMEs with specific training to leverage modern commerce and get ready for opportunities in Flipkart's eCommerce marketplace, the supply chain of Flipkart Wholesale and Walmart's global sourcing operations, as well as the open marketplace, Walmart said in a press release.

The Vriddhi e-Institute in Agra will partner with MSMEs from the state through interactive learning and advanced competency-based training, with personalised feedback and advice.

The curriculum is tailored for the unique challenges and opportunities of local businesses and is offered in Hindi and English. In particular, the e-Institute will focus on empowering skilled artisans and entrepreneurs to expand markets for Agra's prominent footwear manufacturing and stone carving sectors.

Walmart plans to triple its exports from India to $10 billion annually by 2027.

Source: fibre2fashion.com– Mar 02, 2021

HOME

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Andhra trade body urges FM to allot mega textile park

Andhra Pradesh Chambers of Commerce and Industry Federation (AP Chambers) officials have submitted a representation to the Union Finance Minister Nirmala Sitharaman to allot an integrated mega textile park in the state.

K.V.S. Prakash Rao, President of AP Chambers and its General Secretary Potluri Bhaskara Rao said that Sitharaman had announced that the Centre would set up seven mega integrated textile parks in the country in her budget speech.

"In this regard, AP Chambers requested the Central government to set up one such park in the state. They also highlighted the strength of the state such as one of the top cotton producers in India, the presence of large spinning mills, availability of raw material and skilled manpower," said Rao.

The representation was submitted to Sitharaman on Monday.

As Andhra Pradesh is exporting most of the yarn it produces due to lack of value addition, he said that there is a need to set up an integrated mega textile park to transform the major portion of the yarn into fabric and garments within the state, including promoting it as a destination for global textile majors.

"An integrated mega textile park in Andhra Pradesh will enable the textile industry to become globally competitive, attract large investments, develop huge ancillary and support industries and boost employment opportunities in the state," added Rao.

Similarly, the trade body urged the Centre to provide the right support to AP and help improve the economy of the state.

AP Chambers officials have also requested the finance minister to declare Prakasam district as one of the integrated textile regions of the country.

Source: daijiworld.com– Mar 02, 2021

HOME

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Jagan says Andhra Pradesh will increase its exports' share from 4% to 10%

Chief Minister Y. S. Jagan Mohan Reddy informed Maritime India Summit 2021 that Andhra Pradesh aims to increase its share in exports from India to 10 per cent from existing four per cent by 2030.

He expressed confidence that the target would be achieved with exports from major world-class port in Visakhapatnam, apart from five functional and 10 notified state ports, which can together handle more than 170 million tonnes of cargo per annum, second only to Gujarat.

The Maritime India Summit was virtually inaugurated by Prime Minister Narendra Modi, on Tuesday.

The CM pointed out that, 95 per cent of India's trade by volume and 70 per cent by value is through maritime transport, with ports handling approximately 1.2 billion metric tonnes of cargo in 2019-20 and attributed it to policy reforms like 100 per cent FDI, Make in India, Sagarmala and Bharatmala. He hoped Maritime India Vision 2030 document will become a testament of government commitment to exports through sea routes.

Stressing the importance of the 'blue economy' in growth, Jagan Mohan Reddy said it extends much beyond the maritime trade and export-import statistics. The true value of a blue economy can be unlocked only when all allied sectors such as aquaculture, maritime and coastal tourism, chemical and biotechnological exploration, shipbuilding, and other port-led industries; become mature enough to provide sustainable employment and growth opportunities. "The draft of first- National Fishing Policy is an example of several such solid steps taken in that direction."

The Chief Minister said the AP government had taken up transformative steps to leverage its coastal line of 974 km, the second-longest in India and longest on the eastern coast.

He noted that AP was ranked No. 1 in the country in Ease of Doing Business and one of the factors that contributed to this was the state government's consistent efforts in developing port infrastructure, support ecosystem, and encouraging port-led industrialisation.

Jagan Mohan Reddy said that in recent times, several industrial nodes have come up in AP, with ports as the focal point for development. The state government has undertaken development of three greenfield ports at Ramayapatnam, Machilipatnam and Bhavanapadu on an innovative model that mitigates all risks associated with development of greenfield ports.

These all-weather, deep-drafted ports are all set to be operational by 2023, creating an additional capacity of at least 100 million tonnes of cargo per annum in the short term, with a potential to grow by leaps and bounds in the long term

The CM said the state government, with support of government of India, established an aqua university to promote skilling, undertook development of eight fishing harbours, and established testing labs and cold chain facilities to provide better ecosystem for aquaculture. This has led to increase in its share of aqua-related cargo from the state's ports, he pointed out.

Source: deccanchronicle.com– Mar 03, 2021

HOME

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Government gives town of export excellence tag to Noida for apparel goods

The central government has given the tag of 'town of export excellence' to Noida for apparel products, a move that will help promotion of outbound shipments.

The recognition entitles the common service providers in the area to avail the Export Promotion Capital Goods (EPCG) scheme, which in turn would enable them to provide advanced technologies and services to the 700 existing apparel industries in Noida.

"The town of Noida in Uttar Pradesh has been notified as a town of export excellence for apparel products," the Directorate General of Foreign Trade (DGFT) said in a notification.

Apparel Export Promotion Council (AEPC) chairman A Sakthivel said the development would help set up modern facilities for common use by exporters in the region.
He said common service providers are critical for the apparel industry as they help in reducing the cost of technology by providing common services like specialised knitting, dyeing and embroidery, which require high end machines.

"We have also requested for including apparel clusters like Faridabad, Delhi and Erode in the list of towns of export excellence. Faridabad and Delhi have turnovers of Rs 5,880 crore and Rs 5,894 crore respectively, way more than the requirement of Rs 750 crore turnover for a town to get the tag," Sakthivel said.

There are 38 other towns of export excellence in the country including Tirupur (hosiery), Madurai (handlooms), Jodhpur (handicraft), Dewas (pharmaceuticals) and Bhilwara (textiles).

Source: timesofindia.com– Mar 02, 2021

HOME

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City exporters to dock ship of woes to govt port

Grappling with various problems, the city exporters organised a brainstorming session to thrash out a solution and take up major issues with the authorities. According to businessmen, their incomes have taken a hit due to the hike in charges levied by shipping companies, withdrawal of several incentives by the Centre, inclusion of genuine businessmen into the risky exporters' list and delay in release of IGST and drawbacks.

Upkar Singh Ahuja, president of the Chamber of Industrial and Commercial Undertakings (CICU), said at the session, "Doing exports is becoming challenging as our costs have increased significantly. There is panic among exporters due to high rates charged by shipping firms and withdrawal of schemes for exporters. In addition to this, there are several other challenges like shortage of labour, delays in transportation of raw material and finished goods and increase in the number of formalities. If these problems are not resolved soon, Punjab's exporters will be out of business and will have to look to alternative businesses. Therefore, we need immediate government intervention."

Ahuja informed that they had formed an export promotion committee that would work closely with departments, like the directorate general of foreign trade (DGFT), ministry of commerce, customs commissionerate and banks, to keep exporters updated with the latest guidelines. "Shortly, a meeting with top official of these departments will be arranged to discuss the problems and seek a resolution," he added.

Pankaj Sharma, another businessman, said, "There are many innocent businessmen whose names have been included in the risky exporters' list. As a result, their GST refunds and drawbacks are blocked and they are subjected to investigations and verifications. This is leading to a huge blockage of capital and halt in business activities. It is our request to the government to adopt a standard procedure with a time-bound redressal system in the GST department to help genuine exporters."

Speaking against a number of incentives and subsidies for exporters that have been withdrawn, Sarvjit Singh, co-convener of the Export Promotion Committee, said, "We request the government of India to at least consider the benefits available to the exporters of neighbouring countries and give us a package in comparison to those so that we can compete on a level playing field."

Source: timesofindia.com– Mar 03, 2021

HOME

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