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INTERNATIONAL NEWS

USDA: 11.7 Million Total U.S. Cotton Acres Planted for 2021

USDA's Planted Acres report issued on June 30 showed an estimated 11.7 million acres of upland and Pima cotton for 2021 – down 3% from the final total for 2020.

According to the report, upland area is estimated at 11.6 million acres, down 3% percent from 2020, and American Pima area is estimated at 142,000 acres, down 30% from 2020.

Quoting the report:

"Compared with last year, upland planted area declined in 9 of the 17 major cotton-producing states. The largest decline is in Arkansas, where upland planted acreage decreased by 115,000 acres from last year. Acreage in Texas also declined by 100,000 acres. There were seven states showing an increase compared with last year, with Missouri having the largest increase at 95,000 acres.

"In New Mexico, persistent drought impacted planting decisions for the 2021 cotton crop. Compared with last year, planted acreage of upland cotton is down 16,000 acres to a record low, however planted area for American Pima cotton acres is up slightly. In Texas, very dry conditions to wet conditions, mixed with high winds and hail, have turned into a challenge for producers trying to get their crop planted.

"By June 20, 96% of the Nation's acreage had been planted – 1% ahead of last year's pace and the 5-year average. As of June 20, 21% of the acreage was squaring – 4% behind last year's pace and the 5-year average. At that time, 52% of the acreage was rated in good to excellent condition, compared with 40% rated in these two categories at the same time last year."

On a regional basis, total cotton acres in the Southeast for 2021 were reported at 2,350,000 acres over Alabama, Florida, Georgia, North Carolina, South Carolina and Virginia – down slightly from 2,368,000 acres in 2020.

In the Mid-South, total 2021 reported acres were 1,720,000 over Arkansas, Louisiana, Mississippi, Missouri and Tennessee – down from 1,800,000 acres in 2020.

Southwest reported acres totaled 7,310,000 over Kansas, Oklahoma and Texas – down from 7,520,000 acres in 2020.

In the West, 317,000 total acres were reported over Arizona, California and New Mexico – down from 366,000 total acres in 2020. American Pima acres in those states dropped from 164,000 acres in 2020 to 120,000 acres in 2021. Pima acres in Texas dropped to 22,000 from 38,000 in 2020.

State by state totals can be found at the USDA Acreage website.

The report also noted that cotton producers planted 97% of their acreage this year with biotech varieties – up 1% from 2020. Of that total, Bt-only varieties accounted for 3% of the acreage, herbicide resistant varieties took 6% of the acres, and stacked gene varieties made up 88% of the total acres.

Source: cottongrower.com– July 01, 2021

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New subsidy system to support UK jobs, businesses, boost economy

Businesses across the United Kingdom can now benefit from financial support because of a new subsidy control system following its departure from the European Union (EU). The Subsidy Control Bill introduced in parliament recently seizes the opportunities from having left the EU's bureaucratic state aid regime to create a new system for subsidies that can enable key domestic priorities.

The priorities include levelling up economic growth across the country and driving green industrial revolution.

Previously, when the United Kingdom was a member of the EU, it followed the EU's State aid regime which governed the awarding of subsidies like grants, loans and guarantees. Under the EU system, all subsidies except those under a 'Block Exemption Regulation' had to undergo a lengthy bureaucratic process of being notified to and approved by the European Commission in advance, delaying vital funds from reaching viable businesses in time.

The new UK system will start from the basis that subsidies are permitted if they follow UK-wide principles, delivering decent value for the British taxpayer while being awarded in a timely and effective way. These UK-wide principles will allow public authorities to deliver subsidies where they are needed without facing excessive red tape, a government press release said.

The system will not be a return to the failed 1970s approach of government trying to run the economy, 'picking winners' or bailing out unsustainable companies, the government clarified.

The devolved governments will be empowered for the first time to decide if they can issue subsidies by following a set of UK-wide principles. Previously, the devolved administrations were subject to the EU's prescriptive state aid regime, which governed the powers of elected governments in Edinburgh, Cardiff and Belfast to support viable businesses.

The new system will prohibit the awarding of subsidies that will result in the relocation of jobs and economic activity from one part of the United Kingdom to another—known as 'displacement'. This will help strengthen the union and help level up the entire country by preventing 'subsidy races' between public authorities competing to attract the same business.

For example, it will ensure that a Welsh firm is not unfairly undercut or disadvantaged by a subsidy decision in England, and vice-versa. It will also mean that big companies cannot play off the regions, nations, towns, and cities in the country against each other in a competition to benefit from taxpayer subsidy, thereby protecting the dynamic and competitive free market economy.

Source: fibre2fashion.com– July 03, 2021

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Sri Lanka, EC exploring road map to retain EU GSP+

Sri Lanka and the European Commission (EC) are exploring a road map to retain the European Union's (EU) generalised scheme of preferences plus (GSP+) duty-free benefit for exports. "We will, after consulting with the Sri Lankan authorities, issue what we call a road map, which will address the concerns raised in the final report (of the investigation)," said EC ambassador in Sri Lanka Bernard Savage.

He was speaking at the annual general meeting of the Sri Lanka Apparel Exporters Association recently.

The road map, a commitment by the government to address concerns raised by the investigation, could retain the GSP+ scheme, even if the EC recommends the EU member states to suspend GSP+.

The ambassador said the government's response to the EC investigation report will be 'examined extremely thoroughly and seriously'. However, the EC will make a recommendation to the European Council, on whether or not to suspend the GSP+ scheme, based on its investigation findings.

After the EC recommendation, the Council will have two months to arrive at its own decision. However, if the Council decides to suspend the GSP+ scheme, the GSP+ will be suspended only six months after the decision is taken.

Apparel exporters say GSP+ has helped grow exports to the EU even during times of global downturn. This growth, say exporters, may not happen without the GSP+ behind Sri Lankan exports, the association said in apress release.

The latest export data from the Joint Apparel Association Forum (JAAF), the apparel industry representative body, shows that total apparel exports in September, dropped by 4.7 per cent in value, compared with September 2008. Exports to the United States fell by 19.2 per cent but exports to the EU rose by 8.5 per cent in September 2009.

Source: fibre2fashion.com– July 03, 2021

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H&M global sales growth slows in June

Fashion retailer H&M's global sales growth slowed in the second half of June, highlighting a patchy recovery from the pandemic as restrictions ease and stores reopen.

The world's second largest fashion retailer, reported a 4 per cent decline in sales from June 1-28 compared to 2019, indicating that sales slowed throughout the month.

Helena Helmersson, CEO, attributed the June easing of sales to a combination of factors, including tough year-ago and 2019 comparisons, cold weather in some European markets last week, and how coronavirus restrictions are being eased.

The retailers local-currency sales in China declined by 23 per cent in the company's second quarter after H&M was wiped off Tmall and domestic phonemakers' app stores in March amid a backlash after H&M had expressed concerns about alleged human rights abuses in Xinjiang.China is one of H&M's top clothing suppliers and fourth-biggest market by sales. Other big brands were also hit by consumer boycotts in China for raising similar concerns.

For its second quarter, H&M swung to a pretax profit of 3.59 billion crowns ($419 million) from a year-earlier loss of 6.48 billion, ahead of analyst forecasts.

Around 95 of its 5,000 stores globally remained temporarily closed due to restrictions currently, against around 1,300 at the start of March.

Source: fashionatingworld.com– July 02, 2021

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Gap to sell stores in Italy and France

To focus on its online markets in Europe and save costs, Gap Inc plans to sell its stores in Italy and France.

As per a Reuters report, the retailer also plans to shut all Gap Specialty and Gap Outlet stores in the United Kingdom and Republic of Ireland by the end of September.

The owner of Old Navy brand is in discussions with Hermione People and Brands, the retail branch of FIB Group, to take over its stores in France, while an unnamed partner is in talks to buy its Italian stores.

The move comes as Gap competes with apparel brands like Zara and H&M for market share. The coronavirus pandemic has compounded troubles by stifling sales at brick-and-mortar stores across the globe. The Gap, Inc is an American worldwide clothing and accessories retailer.

Gap was founded in 1969 by Donald Fisher and Doris F. Fisher and is headquartered in San Francisco, California. The company operates six primary divisions: Gap (the namesake banner), Banana Republic, Old Navy, Intermix, Hill City, and Athleta. Gap Inc. is the largest specialty retailer in the United States, and is third in total international locations, behind Inditex Group and H&M.

Source: fashionatingworld.com– July 02, 2021

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Reopening of state-owned jute mills in Bangladesh sought

The Jute, Yarn and Textile Mills Workers-Employees Action Council in Bangladesh recently urged the government to immediately reopen 25 state-owned jute mills. The government on July 2 last year closed the jute mills, rendering over 50,000 workers jobless during the COVID-19 crisis. The council alleged that the mills were closed without any reasonable cause.

Rejecting the government's plan to reopen the closed jute mills under public-private partnerships or handing over the mills to the private sector, Council convener and Trade Union Centre president Shahidullah Chowdhury said running the mills would not be tough if the machines and marketing policy are upgraded.

Shahidullah accused the earlier Bangladesh Nationalist Party government of closing Adamjee Jute Mills and the present Awami League government of shutting down all public sector jute mills as part of their mission to implement the agenda of the World Bank, according to media reports in the country.

The Council also requested the government to pay all unpaid salaries and arrears of employees of the closed mills.

Source: fibre2fashion.com– July 02, 2021

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Pakistan: Stability persists on cotton market

The local cotton market on Friday remained stable and volume remained satisfactory.

Cotton Analyst Naseem Usman told that Spot Rate Committee of the Karachi Cotton Association closed the market on Rs 12900 per maund on the first day of the cotton season of 2021-22. The rate of cotton in Sindh is in between Rs 12800 to Rs 12900 per maund. The rate of cotton in Punjab is in between Rs 13500 to Rs 13600 per maund.

The rate of new crop of Phutti in Sindh was in between Rs 5700 to Rs 5800 per 40 kg. The rate of Phutti in Punjab is in between Rs 5800 to Rs 6400 per 40 kg. The rate of Banola in Sindh is in between Rs 1900 to Rs 2000 per maund. The rate of Banola in Punjab is in between Rs 2000 to Rs 2100 per maund.

600 bales of Sanghar were sold at Rs 12800 to Rs 13000 per maund, 400 bales of Shahdad Pur were sold at Rs 12900 per maund and 200 bales of Chichawatni were sold at Rs 13500 per maund.

For the first time in the history of Pakistan, exporters have been levied with 300percent higher tax as compared to local businesses. The federal government in its budget has facilitated the local SMEs and neglected, as usual, the SMEs of export sectors.

The value added textile sector had in its budget proposals demanded of the federal government to reduce income tax as well as sales tax rates for exporters but in vain.

Globally, there are no taxes on export businesses, and where taxes are levied on exports the rate is lower than the one levied on local businesses. However, in Pakistan the situation is the opposite.

The value added textile sector is very disappointed that the government has not accorded consideration to its demands. This joint statement was made by Jawed Bilwani, chairman, Pakistan Apparel Forum, Riaz Ahmed, central chairman, Pakistan Hosiery Manufacturers & Exporters Association, Rafiq Godil, chairman, Pakistan Knitwear and Sweater Exporters Association; Feroze Alam Lari, chairman, Towel Manufacturers Association of

Pakistan; Abdus Samad, chairman, Pakistan Cloth Merchants Association, Khawaja M. Usman, former chairman, Pakistan Cotton Fashion Apparels Manufacturers & Exporters Association, Shaikh Shafiq, former chairman, Pakistan Readymade Garment Manufacturers & Exporter Association, Zulfiqar Ch., chairman, All Pakistan Textile Processing Mills Association, Khawaja Muhammad Younus, chairman, All Pakistan Bedsheets & Upholstery Manufacturers Association, Shoaib Majeed, chairman, Pakistan Denim Manufacturers & Exporters Association, Naveed Illahi, chairman, Pakistan Bedwear Exporters Association, and Yusuf Yaqoob, chairman, Pakistan Weaving Manufacturers Association.

The textile exporters demanded restoration of Zero Rating of GST — No Payment No Refund System.

Imposition of 17percent GST has made the textile exporters specially SMEs financially unviable as their precious liquidity, without any purpose, stuck up and they throughout the year face financial difficulties to fulfil their export commitments.

It is on record that 33percent SME exporters have closed their export business since imposition of 17percent GST which blocked exporters' precious liquidity.

With the continuation of 17percent GST in 2021-22, many more SME textile exporters who managed to survive last year shall fear closure as well in the wake of liquidity pressure.

17percent GST on exports and refund after months is the key hurdle in the boost in exports. Therefore, for the sake of survival of SMEs textile exporters and employment provided, it is highly crucial to restore no payment no refund GST regime which has been tried and tested or reduce GST rate to 5percent.

Meanwhile, Mir Muhammad Ali Khan a renowned investment banker in his tweet said that services and goods exports cross $31 billion dollar mark for the first time in Pakistan's history for the fiscal year ending on June 30th 2021.

In Bangladesh's Mymensingh division there are bright prospects of growing more cotton, with 2,000 hectares of land targeted to be cultivated this season which was 1,800 hectares last year, said officials of Cotton Development Board (CDB) in Mymensingh.

Now some 3,500 farmers are involved in cotton production in Mymensingh, Tangail, Jamalpur and Sherpur under the division. Cotton is grown in hilly regions of Mymensingh and char areas, said CDB Executive Director Alhaz Uddin Ahammed. “There is also prospect of cotton cultivation through intercropping,” he said.

Dr Shefali Rani Mozumder, chief cotton development officer of the CDB’s Mymensingh zonal office, termed cotton an important cash crop benefitting farmers with good prices.

A farmer can produce 110 maunds to 112 maunds (one maund equals around 37 kilogrammes) of cotton per hectare of land cultivating some six hybrid varieties. Every maund is now sold for Tk 2,700. The plant can be turned into fuel and fodder while edible oil is produced from its seeds, said the official.

Bangladesh meets 99 per cent of its requirement for the raw material for textiles and garments industry through imports as its domestic production is very low. Traders, importers and millers import 80 lakh bales of cotton, spending $3 billion a year. Locally, cotton acreage and production is increasing gradually to meet a part of the domestic requirement. Production of cotton fibre declined marginally year-on-year to 1.76 lakh bales in fiscal 2020-21 from 1.78 lakh tonnes, shows the CDB data.

ICE cotton futures rose more than 1percent on Thursday, drawing on a positive sentiment from the grains market, and finding footing after posting their biggest daily decline since early April in the previous session.

Cotton contracts for December rose 1.35 cents, or 1.6percent, to 86.25 cents per lb, at 12:19 p.m. EDT (1619 GMT).

“The market seems to find some value here following the sell-off yesterday which was pretty aggressive by itself, which presented a good opportunity for buyers to jump back into the market,” said Bailey Thomen, cotton risk management associate at StoneX Group.

Prices fell over 3percent to their lowest in a week on Wednesday following a disappointing US Agriculture Department report that some traders expected to show a bigger drop in planted acres of the natural fibre.

Chicago corn and soybeans rose to their highest since mid-June on Thursday as lower-than-expected US acreage estimates a day earlier fuelled supply concerns as some crops faced hot, dry weather.

Earlier on Thursday, USDA's weekly export sales report showed exports of 274,000 running bales for the 2020/2021 marketing year, up 33percent from the previous week but down 3percent from the prior four-week average.

Total futures market volume fell by 14,175 to 17,279 lots. Data showed total open interest gained 1,792 to 217,240 contracts in the previous session.

The Spot Rate remained unchanged at Rs 12900 per maund. The Polyester Fibre was available at Rs 210 per kg.

Source: brecorder.com– July 03, 2021

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Apparel export orders shifting from India, Myanmar to Bangladesh

The military coup in Myanmar and a grave Covid-19 situation in India have proved to be a boon to Bangladesh's apparel industry. Some export orders from these countries are now shifting to Bangladesh, exporters and economists said on Friday.

Since labour and logistical support-related problems emerged in both the countries in recent months and the garment manufacturing units there faced a production setback, the shifting of orders is taking place, they also said.

Maintaining a better health protocol in the country's ready-made garment (RMG) units prompted the foreign buyers, especially the European and US-based ones, to shift their orders to Bangladesh, they added.

"India has been severely affected by the coronavirus pandemic, and Myanmar is now under the military rule. So, buyers of apparel products of those countries are shifting some orders to Bangladesh," Faruque Hassan, President of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), told the FE.

Bangladesh has been able to gain the confidence of foreign buyers by maintaining ethical and health protocols in garment manufacturing units, he said. This has facilitated the shifting of orders to the country, he added.

Policy Research Institute (PRI) Executive Director Dr Ahsan H Mansur said: "Most of the factories in Myanmar are now closed. Workers and logistical facilitators have suspended their works there."

"On the other hand, a severe coronavirus situation has disrupted availability of workers and logistical system in India in the recent months. So, their production has been hampered there also", he said.

These factors have become a boon to the Bangladeshi RMG industry, Dr Mansur opined.

Meanwhile, World Bank's former lead economist Dr Zahid Hussain said they had already got the news of shifting export orders to Bangladesh from India and Myanmar due to massive Covid transmission in the South Asian neighbouring competitor and military coup in the East Asian neighbour.

"I think, these are among the factors contributing to a better export growth of Bangladesh's apparel sector," he told the FE. India's Covid pandemic started to swell from this April, and the country saw more than 4,000 deaths and 400,000 cases daily early last month.

Myanmar army seized control of the country on February 1 following a general election, which Ms Suu Kyi's NLD party won by a landslide. Bangladeshi garment manufacturers and business insiders said the importers have almost suspended their orders to Myanmar after the military coup.

Mohammad Hatem, Managing Director of MB Knit Fashion Ltd and Vice President of the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), said the local apparel producers were getting some additional orders from the buyers in the recent months.

Many of the orders were shifted from Myanmar and India due to the ongoing problems in those countries. "I have received some additional orders in recent months from some buyers, who usually import from India and Myanmar. I have declined many of the orders due to price factor."

"Had I taken those orders, I could receive 50 per cent more orders than I have now," Mr Hatem told the FE. Mr Faruque said Walt Disney, a big US-based buyer, was going to restart its apparel sourcing from Bangladesh from this month after a long break due to the Tazreen Fashion fire and Rana Plaza collapse incidents.

The US-based buyer also imported products from India and Myanmar, he added. Meanwhile, economists suggested local RMG manufacturers to continue their business operations with utmost confidence, so that they did not lose the orders that they have received from Myanmar and India.

Dr Zahid Hussain said the government should ensure 100 per cent vaccination of the adults within the shortest possible time to help restore confidence among the foreign buyers to continue business with Bangladesh.

Dr Mansur said the local apparel manufacturers should set up environment-friendly factories, and invest more in man-made fibre for upgrading their capacity and creating greater confidence among the buyers. Another report adds: The Walt Disney Company commonly known as Disney will reinstate Bangladesh as its sourcing destination eight years after the American conglomerate suspended buying apparel from the country since the 2013 tragic industrial incidents.

Bangladesh Garment Manufacturers and Exporters Association (BGMEA) president Faruque Hassan confirmed the latest developments on Friday. Mr Hassan said he had a discussion simultaneously with Disney during the June 30 meeting with American Apparel and Footwear Association (AAFA). Disney, also a member of AAFA, was present at the virtual meeting.

"On Friday morning, the Disney has confirmed its decision to relist Bangladesh as its permitted sourcing country with international labour standards," the BGMEA president said. Welcoming the move, Mr Hassan said Disney's return to Bangladesh is the recognition to all-out progresses and transformation taken place in the country's readymade garment (RMG) industry, particularly in the area of workplace safety, social standards and environmental sustainability.

The factories participating in the International Labour Organization's (ILO) Better Work Bangladesh (BWB) program will be entitled to become a Disney vendor, he said, adding that the factories also need to participate in the Nirapon or RMG Sustainability Council along with specific remediation fulfilment criteria.

According to BWB, a total of 277 local RMG factories are engaged with its programme. Over the past years, the industry has made unprecedented efforts and investments to ensure safety covering fire, electrical and structural integrity, a robust follow-up of factory remediation, to create a culture of safety while promoting wellbeing of the workers, the BGMEA president noted.

Source: thefinancialexpress.com.bd– July 03, 2021

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NATIONAL NEWS

Highest ever merchandise exports in a quarter (Q1 2021-22, USD 95 billion) in the history of India

The Minister of Commerce & Industry, Railways and Consumer Affairs, Food & Public Distribution, Shri Piyush Goyal held a press conference today to showcase the achievements of the Ministry of Commerce and Industry in Q1 (April - June) of 2021-22. He mentioned how an ambitious target of USD 400 billion exports has been set for 2021-22.

Shri Piyush Goyal said that sector specific interventions, involvement of all the stakeholders and functioning of the Government as a whole helped in achieving the growth. Simplification of procedures, extension of timelines and licences, all of that has resulted in the record performance of exports, he added. He specially thanked the Hon'ble Prime Minister Shri Narendra Modi ji for leading from the front, and holding discussions with various stakeholders through webinars after the Union budget, and encouraging everyone to put in their best.

Shri Piyush Goyal further said that the performance of the services sector has also been excellent, and despite the pandemic, almost 97% of 2019-20 service export levels were achieved in the last FY. He said that after deliberations with the stakeholders, he is confident that USD 350 billion service exports can be achieved by 2025, and may even go up to USD 500 billion very soon.

The press conference was also attended by Ministers of State for Commerce & Industry, Shri Som Parkash and Shri Hardeep Singh Puri. The Secretaries of the Department of Commerce and DPIIT then briefed the media about the achievements of their respective departments.

Highest Ever Merchandise Exports in the history of India

Highest ever merchandise exports of USD 95 billion in Q1 of 2021-22 has been achieved in the history of India. This is 85% higher than exports of Q1 of 2020-21 and 18% higher than the exports of Q1 of 2019-20. It is also 16% more than the previous highest Q1 exports of 2018-19 (USD 82 billion) and is higher than the earlier peak of exports in Q4 of 2020-21 (USD 90 billion).

Labour intensive sectors seeing rapid export growth

Several Labour-Intensive sectors have seen a rapid export growth. The exports in the engineering goods sector has increased by USD 5.2 billion over Q1 of 2019-20. Likewise, Rice exports growth has remained positive since May 2020 and rose by 37% in Q1 of 2021-22 compared to Q1 of 2019-20

India's Exports Performance Vis-a-vis Major Economies in April 2021

India showcased robust export performance in April 2020 compared to major economies of the world. As compared to April 2019, India's exports growth during April 2021 was higher than other major advanced economies like European Union, Japan, USA, Republic of Korea & United Kingdom

Record FDI Inflows

India received the highest ever FDI inflow in 2020-21 of USD 81.72 billion. This is higher by 10% compared to USD 74.39 billion achieved in 2019-20. The positive momentum continues with FDI inflow of USD 6.24 billion during April 2021, which is 38% higher than April 2020.

Startup India

Number of startups recognised by DPIIT has crossed 50,000 and is spread across 623 districts in India. With these startups nearly 1.8 lakh formal jobs have been created by 16,000+ recognised startups in 2020-21. Several times more have benefited from the Startup ecosystem.

Reducing Compliance Burden

To improve the ease of doing business and reduce the compliance burden 6,426 compliances have been reduced in Phase-I. 3,177 compliances are being been reduced in Phase II. The timeline for Phase I was 31st March 2021 & Phase II is 15th August 2021.

Investment Clearance Cell

The National Single Window System is a one-stop digital platform to obtain clearances & approvals. In the phase-1 of integration, 43 Depts/Ministries & 14 States Single Window Systems are being on-boarded. The pre-launch version is undergoing extensive testing and we are gearing up for a soft launch.

The Hon'ble Minister concluded by saying that the world sees India as the trusted and reliable partner, and has more confidence in India's capability to provide quality products and services on time.

With the goods and services gaining momentum, a large number of employment opportunities will be generated, the economy will strengthen, revenues will increase, and the government will be able to help the disadvantaged sections in a more substantive manner.

Source: pib.gov.in– July 02, 2021

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At $95 b, merchandise exports surge to all-time high in FY22 Q1

Achieved by Centre, States, public and private sector working together, says Minister Goyal

The Government on Friday claimed that merchandise (goods) exports have reached an all time high at $95 billion (approximately ₹7 lakh crore) in April-June quarter (Q1FY22). With this, it aims to reach the $400 billion-mark by the end of current fiscal, which, if achieved, will be another all-time high.

The previous quarterly high was $90 billion during the January-March quarter (Q4FY21) while the annual all-time high was achieved in 2018-19, when merchandise export had clocked $330 billion.

“The record level was achieved as Centre and States are working together, public and private sector working together,” Commerce & Industry Minister, Piyush Goyal said in a media conference. Talking about services export, he said that 97 per cent of Q1FY21 level has been achieved in Q1FY22. He expressed hope that annual services export in next five years will touch $500 billion.

Commerce Secretary BVR Subramanian said that the effort is to achieve $1 trillion of merchandise export annually and $500 billion of services export during the next five years.

When asked about the matter of allowing special economic zones (SEZ) to work in domestic tariff area, Goyal said that talks are on with the Finance Ministry. “We have to see whatsoever advantages the SEZs have, should not create unfair disadvantage to industries working in domestic tariff area. We need to bring in balance. We hope a solution soon,” he said.

Speaking on RoDTEP (Remission of Duties and Taxes on Export Products), Goyal said that for implementation, inter-ministerial discussion and discussion with industry stakeholders are at a very advanced stage. “We will shortly be notifying the rates. We have already notified that from April 1, the scheme will come into force,” he said.

He also mentioned that soon, more details will emerge about how various sectors will be compensated for various taxes. However, “I would like to make it very clear that this is not a subsidy to any exporter, this is only refund of taxes. So, any element of subsidy exporters were getting prior to RoDTEP, will not be available anymore," he said.

Foreign Investment

Highlighting the achievements of the Department for Promotion of Industry and Internal Trade (DPIIT), Goyal said that FDI inflow was at $6.24 billion during April this year, showing a growth of 38 per cent in April.

Giridhar Aramane, who is holding the additional charge as Secretary in the DPIIT, said number of startups recognised by DPIIT has gone up to 50,000, spread across 623 districts. "Last 10,000 startups have been added in just 180 days. 1.8 lakh formal jobs were created by over 16,000 recognised startups in 2020-21," he said.

Talking about the ease of doing businesses, he informed that 6,426 compliances were reduced in Phase I which include 877 related with department and 5,549 with States/UTs. Similarly in the second phase, 3,177 compliances were reduced (105 related with departments and rest of States/UTs).

Source: thehindubusinessline.com– July 02, 2021

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Commerce Ministry's Logistics Division unveils plans for 'Freight Smart Cities'

With growing urbanisation, requirements of rapid economic growth including e-commerce and associated first and last mile freight movements; increasing congestion, noise and sound pollution in the Indian cities is a menace affecting both public health and local economies. The Logistics Division under the Ministry of Commerce and Industry has decided to work in a planned manner to improve the city freight movement.

This is all the more relevant as the demand for urban freight is expected to grow by 140 per cent over the next 10 years. Final-mile freight movement in Indian cities is currently responsible for 50 per cent of total logistics costs in India's growing e-commerce supply chains. Improving city logistics would also enable efficient freight movement and bring down the logistics costs boosting all sectors of the economy.

The need for focus on city logistics was first discussed with States/UTs during the first National Conference of States on Logistics on 19th January, 2021. Taking this forward, the Logistics Division has been engaged with subject experts and technical organizations to devise a roadmap for improvement in freight movement in the Indian cities. The roadmap envisions the concept of 'Freight Smart Cities' to improve the efficiency of urban freight and create an opportunity for reduction in the logistics costs.

During the consultative meeting chaired by Minister of State for Commerce and Industry ShHardeep Singh Puri on freight smart cities held on 02 July 2021, the logical next step was taken where issues were discussed with technical details, and specific examples of cities that have progressed in this area were shared.

On this occasion, ShHardeep Singh Puri launched the website on 'Freight Smart Cities' and also released a handbook outlining 14 measures that can be taken to improve urban freight. Shri Puri appreciated the extensive participation of nearly 300 stakeholders.

He stated that India is undergoing robust, vibrant and autonomous urbanisation. A shift from regulatory to a more organic approach making use of the enabling technologies is required to be adopted by the policy makers and city planners taking into account the aspirations of citizens and plan for their requirements.

He urged the State Governments to identify ten cities, to begin with, to be developed as Freight Smart Cities and also to set up institutional mechanism for the same involving the Government as well as Private stakeholderslike Logistics services providers, users and citizens. He also asked the States/City Governments to focus on the quick-wins like developing peri-urban freight centres, night-time deliveries, developing truck routes, using Intelligent Transportation Systems & modern technologies, Promoting electrification of urban freight , Parcel delivery terminals etc.

Representatives from NitiAayog, MoHUA, MoRTH,Railways , State Govts and City level urban bodies, ADB as well as the technical Institutes like RMI, SPA(Delhi) and SPA (Bhopal), CEPT, GIZ addressed the participants. States and cities like Gujarat, Panjim, Hyderababad, Shimla and Amravati presented their work related to improving city freight logistics. These cases and other good practices would help to accelerate the action.

"The 14 measures presented in the handbook represent high-leverage areas for cities to improve their economic competitiveness and reduce congestion and pollution. Several of these measures are low-cost, low effort initiatives that can be quickly taken up by working with the related public and private stakeholders." said Sh. PawanAgarwal, Special Secretary, Logistics Division in the Ministry of Commerce and Industry.

Under the Freight Smart Cities initiative, city-level logistics committees would be formed. These committees would have related government departments and agencies at the local level, state and from the reacted central ministries and agencies. These would also include private sector from the logistics services and also users of logistics services. These committees would co-create City Logistics Plans to implement performance improvement measures locally.

On the Freight smart city initiatives, the Logistics Division is working closely with GIZ (Germany) under Indo-German Development Cooperation, Rocky Mountain Institute (RMI) and RMI India. A challenge is expected to be announced to encourage the participation of cities in this initiative. From the ten cities to be identified on immediate basis, it is planned to expand the list to 75 cities in the next phase before scaling up throughout the country including all state capitals and cities that have more than one million population. The list of cities to be taken up would however be finalised in consultation with the State governments.

Source: pib.gov.in– July 02, 2021

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Government announces inclusion of Retail and Wholesale trades as MSMEs

Minister of MSME and Road Transport and Highways Shri Nitin Gadkari today announced revised guidelines for MSMEs with inclusion of Retail and Wholesale trades as MSMEs.

In a Tweet he said under the leadership of PM Shri Narendra Modi Ji, we are committed to strengthening of MSME and make them engines for economic growth. Shri Gadkari said the revised guidelines will benefit 2.5 Crore Retail and Wholesale Traders.

He said Retail and wholesale trade were left out of the ambit of MSME, now under the revised guidelines, retail and wholesale trade will also get benefit of priority sector lending under RBI guidelines.

With the revised guidelines the Retail and wholesale trades will be now be allowed to register on Udyam Registration Portal.

Source: pib.gov.in – July 02, 2021

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E-commerce FDI rules set to tighten: Commerce and Industry Minister Piyush Goyal

Commerce and industry minister Piyush Goyal on Friday said the government could issue a clarification on its foreign direct investment (FDI) policy for e-commerce "very shortly".

The statement comes amid reports that the government could tighten the norms that could force players like Amazon and Flipkart to restructure their existing marketing tie-ups.

However, Goyal stressed that his ministry is not changing the FDI policy governing e-commerce but merely issuing clarifications on it, as the policy is already crystal clear.

The FDI policy bars e-tailers having foreign investments from offering discounts directly or indirectly.

The move follows frequent complaints by domestic traders against alleged violations of FDI norms by foreign e-commerce entities. E-tailers, however, reject such accusations by bodies representing brick-and-mortar stores.

"We will also come out with the e-commerce policy and whatever clarifications... Certain instances have come to our notice where the policy is not being followed in letter and spirit, we will obviously be clarifying that very shortly," he told reporters here.

Goyal has repeatedly asked e-tailers having foreign investments to comply with the "spirit of the law", saying the players are supposed to provide only platforms for buyer-seller transactions and not be a part of such transactions themselves.

On Friday, Goyal again reiterated the need to follow existing FDI rules in both letter and spirit. He also said the consumer affairs ministry recently announced the draft e-commerce rules under the consumer protection law, and the final rules will be issued after getting stakeholders' comments.

"This is a series (of policies) which involves consumer affairs, the FDI policy, and the (rest of the) e-commerce policy.

"We wanted to come with the consumer protection rules of e-commerce first because we believe that our most important stakeholder is the consumer and we wanted to make sure that consumer protection prevails over everything else," Goyal said.

As for violations of the FDI rules in e-commerce, the commerce and industry ministry had in December 2020 asked the Reserve Bank of India (RBI) and the enforcement directorate (ED) to take "necessary action" on allegations made by traders' body CAIT against Amazon, Flipkart and Walmart relating to FDI rule violations. For their part, Amazon and Flipkart have maintained that they comply with all relevant rules.

The FDI policy also disallows such online marketplaces from selling products of the companies where they hold stakes or control inventory, and also bars exclusive marketing arrangements, among others.

Source: financialexpress.com– July 03, 2021

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Retail, wholesale traders now get MSME tag; opens bank credit lines

To benefit 2.5 crore traders and they can now register on Udyam Registration Portal.

Accepting a long-standing demand, the Centre, on Friday, included retail and wholesale traders under the MSME (micro, small and medium enterprises) classification making them eligible for priority sector advances by banks and financial institutions per RBI guidelines.

Minister of MSME and Road Transport and Highways Nitin Gadkari said the government has revised the guidelines, with the inclusion of retail and wholesale traders as MSMEs.

"Retail and wholesale trade were left out of the ambit of MSME. Under the revised guidelines, the Ministry of MSME has issued an order to include retail and wholesale trade as MSME and extending to them the benefit of priority sector lending," he said, adding that this would benefit 2.5 crore retail and wholesale traders, and they will now be able to register on the Udyam Registration Portal.

This comes at a time when retail and wholesale traders have been facing severe liquidity crunch after sales were hit by the Covid-induced local lockdowns. According to a survey by Retailers Association of India (RAI), the sector, dominated by which small traders, saw a 79 per cent contraction in monthly sales in May compared to pre-Covid levels due to lockdown-like restrictions imposed by States to curb the pandemic's second wave.

Access to better finance

Kumar Rajagopalan, CEO of RAI, said, "This landmark decision will have a structural impact for the sector, helping it get formalised by giving better finance options for businesses that want to get structured. It will give retail MSMEs the support they need to survive, revive and thrive."

The Confederation of All India Traders (CAIT) said the demand for MSME status was on for more than a year, and will benefit crores of small businesses. Praveen Khandewal, Secretary General, CAIT, said, "The Covid pandemic-affected traders will now be able to restore their businesses by obtaining finances from banks, which was earlier denied to them. This will prove to be a milestone step in reviving not only the economy but even the retail sector."

Khandelwal said besides being able to get loans from banks and financial institutions, traders will now be eligible for several government schemes.

On June 28, the Finance Ministry increased the emergency credit line guarantee scheme (ECLGS) to ₹4.5-lakh crore, mainly for the MSME sector.

Source: thehindubusinessline.com– July 02, 2021

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Opportunities for Indian Manufacturers in ASEAN

The economic partnership between India and the Association of Southeast Asian Nations (ASEAN) has continued to strengthen since the economic relationship began in 1992 and with the ASEAN-India Free Trade Agreement (AIFTA) coming into effect in 2009.

The bloc has presented several opportunities for Indian manufacturers and exporters seeking long-term commitment. Total trade between India and ASEAN was valued at US$86 billion in 2020, a reduction from US$97 billion in 2018-19 due to the pandemic. However, this was an increase from the 2017 total trade value of US$59 billion, indicating an upward trajectory only arrested by the pandemic.

Furthermore, according to India's Commerce and Industry minister, India-ASEAN trade has the potential to reach US$300 billion by 2025.

ASEAN is already the world's third most populous economy and is projected to be the fourth-largest single market by 2030, with a GDP of US$7 trillion. Furthermore, domestic consumption is expected to reach US$4 trillion and the population too will rise to 723 million from 648 million currently.

Indian exports largely mirror those of ASEAN states, such as rice, electrical equipment, and clothing and accessories. However, there are still sectors where Indian exporters can potentially exploit market needs – wheat exports, the digital economy, and healthcare.
Taking advantage of AIFTA

Since its inception, both regions have made efforts to progressively eliminate trade tariffs on 80 percent of tariff lines. India has excluded 590 tariff lines from the list of tariff elimination and 489 tariff lines from the list of tariff concessions for agriculture, automotive, textiles, petrochemicals, crude and refined palm oil, tea, coffee, and pepper, among others.

ASEAN has also lowered intra-regional tariffs through the Common Effective Preferential Tariff (CEPT) Scheme on exports under the FTA. This means Indian goods and raw material exporters to ASEAN are more competitive.

Many industry bodies in India, however, have complained that AIFTA provides better market access for ASEAN trade into the country, but Indian businesses do not enjoy the same access to such reduced tariffs.

Despite the size and potential of the ASEAN market, India still suffers from a trade deficit, which stood at US$24 billion in 2020. As such, India is keen to renegotiate the terms of AIFTA to level the trade balance.

What are the opportunities for Indian exporters?

Digital economy

COVID-19 has accelerated ASEAN's adoption of its digital economy, which is expected to have a gross merchandise value of US$300 billion by 2025.

With over 400 million internet users in the region, ASEAN's digital economy presents a unique opportunity for Indian investors, especially for Indian expertise in the field of information technology (IT). The sector accounted for eight percent of India's GDP in 2020, with exports expecting to reach US$150 billion by 2021.

Online education, telecommunication, e-commerce, and telemedicine are all scalable opportunities. ASEAN recently saw one of the largest tech mergers between ride-hailing and payments giant Gojek and e-commerce leader Tokopedia, which was valued at US$18 billion.

Such technology-based segments are also expanding in India with its emerging unicorns in the digital payments (Paytm), online retail (Flipkart), online education (Byjus), and raid-hailing segments (Ola).

Click here for more details

Source: aseanbriefing.com– July 02, 2021

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Assam CM calls on President Ram Nath Kovind, ministers Smriti Irani, Pralhad Joshi

Assam chief minister Himanta Biswa Sarma called on President Ram Nath Kovind, Union textiles minister Smriti Irani and coal minister Pralhad Joshi on Friday, and discussed with them various issues concerning the state, officials said.

It was Sarma's first meeting with the President since he took charge as the chief minister of Assam on May 10. The meeting with the President was a courtesy call, an official said.

Sarma held a discussion with Irani on the textile sector and issues related to women and child development, according to an official statement. Irani is also the Union minister for women and child development.

Sarma said his government is exploring different projects like the Emergency Support Response System under the Nirbhaya fund and others for providing a round-the-clock safety net for the women of the state.

The chief minister informed the Union minister about various initiatives that the Assam government has taken to curb human trafficking.

Sarma told Irani about the steps his government has taken under the Supplementary Nutrition Programme, under which children aged six months to six years, pregnant and lactating mothers are given nutritious food under the integrated child development scheme.

He requested the Union minister for adequate and timely release of central share under SNP to Assam according to beneficiary number to cover 300 days.

Responding to Sarma's request for the development of the textile sector in the state, Irani said special stress would be given for the total implementation of textile schemes in Assam, the statement said.

During his meeting with the coal minister, Sarma discussed issues related to the state, another official said.

Source: timesofindia.com– July 02, 2021

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Indian envoy aims for more trade with Trinidad and Tobago post-covid19

High Commissioner of India to Trinidad and Tobago Arun Kumar Sahu said since his appointment,, he has pushed for Indian businesses to do more trade with Caribbean countries, especially TT.

Sahu was speaking to businessmen from India and TT during a video conference to address bilateral trade and investment opportunities between the two countries post-covid19.

The event was hosted by the High Commission and the Federation of Indian Export Organisations (FIEO).

"As you are aware, the pandemic has offered grave challenges to all economies, big and small," he said. "Today, we are left with no other choice but to find ways to resume international commerce and trade innovatively."

He said because of TTs connections with Europe, North and South America, the country is an ideal base for intra-Caribbean commerce and trade.

"The Caribbean businesses should try to reach beyond their comfort zones of doing business with North America or Europe.

He said India, being one of the largest growing economies globally, has a lot to offer in terms of the quality and pricing of commodities and services.

He said the High Commission has identified ten focused sectors the two countries can look at for future co-operation. These include information technology, pharmaceuticals, agriculture and agro-biotechnology, new energy (particularly wind and solar), tourism (including medical tourism), textiles and garments, higher education, the automobile sector, entertainment, and Ayurveda and wellness.

"One of the critical challenges of doing business with a small island country is their small market size," he said, adding the population of TT is 1.3 million. "Nevertheless, there are niche areas that can be looked at."

He also said the High Commission is working closely with Grenada in exchanging technical expertise, technology, and training in the agriculture sector.

“All three countries that I am accredited to as High Commissioner of India (TT, Grenada and Dominica) are active partners in our international solar alliance and development partnership programme.”

He added the commission has partnered with these countries in environmental protection and clean energy.

“I think the fundamentals of robust corporation are strong, and it is up to the entrepreneurs of both sides to take the initiatives.”

He said both Grenada and Dominica have a citizenship by investment programme for potential Indian investors and Indians can travel to all three countries for three months without a visa.

“I sense that Indian firms are yet to explore the true potential of these pristine islands.”

Also in attendance was regional chairman, North Region (India) of the FIEO, Ashwani Kumar, who said there was tremendous potential for two-way trade and investment. Kumar said the FIEO would send a trade delegation to TT as soon as international travel resumes.

He said an appropriate framework in the form of bilateral memoranda of understanding (MOUs) can facilitate institutionalised co-operation between the two countries.

Source: newsday.co.tt– July 01, 2021

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India's consumer digital economy to touch $800 bn by 2030: RedSeer

India's consumer digital economy is projected to turn a $800-billion market by 2030, growing from $85-90 billion in 2020, driven by strong adoption of online services like e-commerce and education technology, according to consulting firm RedSeer, which recently said the country's online retail market is also set to become the third-largest globally, after the United States and China.

India's online retail market's annual gross merchandise value (GMV) will touch $55 billion in 2021, and $350 billion by 2030. Besides, kiranas (small grocery stores) are expected to achieve approximately $1.5 trillion sales by 2030, it said.

The insights were presented during RedSeer''s Ground Zero 5.0 event.

According to RedSeer data, 88 per cent of the online shoppers that will be added between 2020 and 2030 will be from tier II cities and beyond.

Further, more than 7 billion cumulative incremental online retail transactions will be added from customers in tier II cities and beyond, while over $150 billion worth of cumulative incremental online retail GMV is expected to be added from these locations between 2020 and 2030.

RedSeer said e-logistics in India has become the fastest-growing market globally with over 3 billion shipments in 2020, and new-age logistics players are expected to deliver 2.5 billion direct-to-customer shipments by 2030.

With the rise of e-commerce, the need for specialised delivery services emerged, which led to the overall growth of the logistics segment. Emergence of this sector is creating 5 lakh employment opportunities for gig workers in 2021.

According to RedSeer research, shared mobility saw a sharp decline due to the second wave-led lockdowns in the last two months. Although the autos segment recovered the fastest, the overall sector merely clocked 18 million rides, a drop from 113 million rides in January last year.

However, while the shared mobility is dipping, personal mobility space is riding on a wave of strong traction seen since last year.

"Today, over 50 per cent of customers say they use online services because of convenience. A few years back, almost 70 per cent used to say the key reason is discounting but with the hit of COVID, digital services have undoubtedly served the customers very well, which is evident in high customer satisfaction and customers willingness to keep using the digital as a key channel to fulfill their needs," RedSeer founder and chief executive officer (CEO) Anil Kumar was quoted as saying by a news agency.

The next wave of entrepreneurs will create innovations that will make the Indian model successful globally, he added.

Source: fibre2fashion.com– July 03, 2021

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New export strategy may focus more on key component

Having set an ambitious goal to ship out merchandise worth $400 billion in FY22, India is firming up plans to bolster its exports of scores of key products where its share in the global market has traditionally remained paltry.

Mechanical machinery, electronics, medical and surgical equipment, sports goods, toys and certain farm commodities are among a number of products where India has the scope to substantially raise its exports, according to an analysis by exporters' body FIEO.

For instance, in the electrical and electronics segments, India accounted for only 0.5% of the global supplies of $2,900 billion in the calendar year 2020.

Similarly, while global imports of mechanical machinery and parts stood at $2,142 billion in 2020, India's exports were just $18 billion, with a share of under 1%.

Of course, India's exports have risen at a faster pace than the global average in such capital and consumer goods in the last five years, it was aided by a low base. FIEO's analysis is part of its broader exercise to devise new strategy to improve exports.

Importantly, the rollout of production-linked incentive schemes for electronics products last year will help bolster our manufacturing base, which will ultimately help outbound shipments, FIEO reckons.

In medical & surgical equipment, against global imports of close to $592 billion in 2020, India's exports were only to the tune of $3.1 billion. In sports goods and toys, India's exports stood at just $380 million, against the global supplies of $120 billion in 2020.

As such, India's exports have trailed the global average in the last five years through 2020. While global imports grew at a compounded annual growth rate (CAGR) of 3% during 2016-2020, India's exports rose at only 2%. Of course, the outbreak of the pandemic and consequent lockdowns impacted India more adversely than most others in 2020.

However, what is a matter of concern is that exports from labour-intensive sectors are losing their share in the global market. In the gems & jewellery sector, global imports in the last five years through 2020 grew by CAGR of 5%, while India's exports contracted by a CAGR of 12%.

Similarly, while the woven garment imports worldwide remained static during 2016-2020, India's supplies shrank by a CAGR of 8%. In the leather footwear sector, in which global imports grew by a CAGR of 1% during 2016-2020, the country's exports contracted at a CAGR of 7%.

However, in certain farm commodities, such as coffee, tea, spices, preparation of meat & fish, preparation of foods & vegetables, India's CAGR in exports has been more than the double that of global imports between 2016 and 2020. Here the country needs to build upon what it has achieved in recent years.

Source: financialexpress.com– July 03, 2021

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Meddling too much with e-commerce

One of the perils of oversized governance, as in India, is a multiplicity of laws, which often results in inefficiencies in the economy. A recent case of regulatory overhang is the e-commerce sector, which comprises only 3-4 per cent of retail in India. Yet, the government is attempting to discipline it through multiple laws administered by different regulators while sparing the larger offline retail segment.

In addition to the massive compliance burden imposed on the market players, some overlapping provisions of laws also cause legislative ambiguity and lead to forum shopping by complainants, causing a heavy legislative burden on them.

It seems rather astounding that amid a pandemic and with the third wave impending, instead of promoting e-commerce, the government is burdening the sector with new, restrictive rules. This will have a huge bearing on the consumer.

Recently, the government amended the e-commerce rules under the Consumer Protection Act (CPA), 2019 and invited public comment. The objective is to bring transparency in the e-commerce platforms and further strengthen the regulatory regime to curb the perceived unfair trade practices by ensuring that domestic manufacturers and suppliers get a fair and equal treatment on e-commerce platforms, which, as a principle, is laudable.

However, the CPA provides for protection of the interests of consumers. According to Section 2(7) of the Act, a consumer is any person who buys goods or avails himself of any service for a consideration and includes any user except for the person who has availed such services or goods for the purpose of resale or commercial use.

With these amendments to protect the sellers on e-commerce platforms, the government is attempting to over-reach the mandate of the CPA and cause legislative ambiguity in the presence of a separate regulator for unfair trade practices, the Competition Commission of India (CCI).

In some countries, such as Australia, consumer protection and competition laws are enforced by a single authority, while in India these are enforced by different forums.

It is prudent to note that the CCI is already running an investigation on big e-commerce players over concerns such as preferential treatment of certain sellers and deep discounting, based upon a complaint filed by Delhi Vyapar Mahasangh, a traders association.

Unfair trade practice

In this regard, the proposed e-commerce rules under the CPA to prevent unfair trade practices are unwarranted.

It must also be noted that unfair trade practices refer to the fraudulent or deceptive conduct of the market players for business gains and warrant ex-post intervention if such a conduct takes place. Ex-ante regulations to prevent a possible unfair trade practice would apply to all the market players, including the ones that do not intend to indulge in any such activity and increase their compliance burden.

The rules such as banning of certain types of sales by e-commerce players to prevent unfair trade practices are arbitrary and are a step towards a restrictive economy, which is likely to cause economic inefficiencies and impede economic growth.

The CCI performs case by case analysis to assess if these practices cause an adverse effect on competition in the market and must continue to do so in that manner. This is also in line with global best practices.

These rules are cumbersome as well as undesirable as intuitively, the cost of enforcing them outweighs the benefits and create overlapping jurisdictions as such concerns are already covered under another law. It appears that the consumer protection law is being stretched to target e-commerce players.

Legislative ambiguity exhibits regulatory incoherence among several regulators attempting to regulate one sector, e-commerce in this case. There are several other laws in the making, such as the Personal Data Protection law which would have a bearing on the growth and development of e-commerce.

Thus, there is a need to establish clearly defined jurisdictions between all the regulators so that no overlapping or conflicting rules are enforced by multiple regulators.

Sectoral regulator

The government could consider setting up a sectoral regulator for e-commerce to avoid the increasing complexities of the regulatory regime. This has been in discussions for a while; however, the suggestion has been to have one similar to TRAI. Considering the highly regulated, not so well functioning telecom sector in India, that reference is far from ideal.

The government must limit its intervention in the markets to addressing market failures, regulating unfair trade practices and protecting consumer interest through the regulators.

The proposed e-commerce rules attempt to micromanage the operations of market players, which will stymie the growth of e-commerce, a sunrise sector, in the country at a time when the need is to rapidly expand it to Tier-III/IV towns, generating millions of jobs and providing access to MSMEs to national and international markets by on-boarding them on e-commerce supply chains.

Source: thehindubusinessline.com– July 02, 2021

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