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INTERNATIONAL NEWS

US Senate passes bill to ban all products from China's Xinjiang

The US Senate recently passed legislation, the Uyghur Forced Labour Prevention Act, to ban the import of products from China's Xinjiang region. Passed by unanimous consent, the bipartisan measure would shift the burden of proof to importers. The current rule bans goods if there is reasonable evidence of forced labour.

The bill must also pass the House of Representatives before it can be sent to the White House for President Joe Biden to sign into law. The United States accuses Beijing of persecuting Uyghurs and other Muslim minority groups in the region.

US Republican senator from Florida Marco Rubio, co-author of the Act, welcomed the State Department's determination that the Chinese government's and the Chinese Communist Party's (CCP) persecution of Uyghurs, Kazakhs, Kyrgyz and members of other Muslim minority groups in the Xinjiang Uyghur Autonomous Region (XUAR) constitute 'crimes against humanity and genocide'.

"We will not turn a blind eye to the CCP's ongoing crimes against humanity, and we will not allow corporations a free pass to profit from those horrific abuses," Rubio said in a statement.

Rubio also co-authored the Uyghur Human Rights Policy Act of 2020, which was signed into law last December.

The US administration has raised sanctions, and recently issued an advisory, warning businesses they could be in violation of US law if operations are linked even indirectly to surveillance networks in Xinjiang.

Source: fibre2fashion.com– July 15, 2021

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China's economic growth slows as post-pandemic rebound loses steam

China's economic growth slowed to a still-strong 7.9 per cent over a year earlier in the three months ending in June as a rebound from the coronavirus levelled off. Growth slowed from the previous quarter's explosive 18.3 per cent expansion, which was magnified by comparison with early 2020, when the economy shut down to fight the coronavirus.

The economy expanded at a 1.3 per cent pace in the April-June quarter compared with the previous three months, the way other major economies report results. That reflects a return to normal for factory activity and consumer spending as government stimulus and easy credit wind down. It was faster than the 0.6 per cent expansion in the previous quarter over the final three months of 2020, which had prompted warnings the rebound was ending.

"China's economy sustained a steady recovery with production and demand picking up," the National Bureau of Statistics said in a statement. Manufacturing, auto sales and consumer spending have recovered to above pre-pandemic levels since the ruling Communist Party declared victory over the coronavirus last March and allowed factories and stores to reopen.

Still, growth in retail spending has been weaker than expected. That prompted Beijing to inject extra money last week into the pool available for lending to shore up business and consumer activity. But the central bank and economic planners say they are sticking to long-term plans that call for a return to normal policy.

The International Monetary Fund and private sector forecasters expect economic growth of about 8 per cent this year but say it should slow markedly in 2022. Retail spending in June rose 12.1 per cent over a year earlier. That was down from the 13.9 per cent for the full quarter and well below the 33.9 per cent surge in the January-March quarter.

Factory output rose 8.3 per cent in June over a year ago. Compared with May, it was up 0.6 per cent.

Source: financialexpress.com– July 15, 2021

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Senate Backs Bill to Ban Xinjiang Goods Unless Waiver Given

The U.S. Senate passed a bill Wednesday that would ban all goods from or made in China's Xinjiang region unless importers can prove they weren't made with forced labor, a move that could potentially have widespread implications for the solar industry.

The Uyghur Forced Labor Prevention Act requires the U.S Department of Homeland Security to create a list of entities who collaborate with the Chinese government in the repression of ethnic minority Uyghurs and other groups. It also contains a "rebuttable presumption" that assumes all goods were made with forced labor unless the commissioner of U.S. Customs and Border Protection gives an exception.

"Once this bill passes the House, and is signed by the president, the United States will have more tools to prevent products made with forced labor from entering our nation's supply chains," Senator Marco Rubio said in a statement.

The U.S. has repeatedly criticized Beijing over its actions in Xinjiang, saying they amount to genocide and crimes against humanity. A group of United Nations experts said in 2018 that anywhere from tens of thousands to "upwards of 1 million" Uyghurs have been detained, while a labor-transfer program has generated concerns that participants are coerced into taking jobs.

The U.S. has already put import bans on cotton, tomatoes and some solar products originating from Xinjiang, and sanctioned Chinese officials overseeing the region along with the European Union, the U.K. and Canada. Last week, The U.S. added 34 entities to its economic blacklist, including 14 Chinese enterprises that are alleged to be involved in human-rights abuses in the Xinjiang region.

China denies any forced labor, calling it the "biggest lie of the century," and says its policies are lifting the region out of poverty, boosting the economy and countering extremism. It has hit the U.S. and its allies with retaliatory sanctions, straining broader relations with a range of countries.

"The U.S. side hypes up Xinjiang-related forced labor," Chinese Foreign Ministry spokesman Zhao Lijian told reporters Thursday at a regular press briefing in Beijing. "The true motive is to damage the prosperity and stability in Xinjiang, deprive the Xinjiang people of their right to life, employment and development."

Xinjiang is the key global hub for production of polysilicon, which is usedin manufacturing of solar panels. It's sent for further processing across China and other countries before it's ultimately assembled into the products that are shipped to the U.S., making it a complicated task to verify the provenance of imported components.

"This may well mean that modules shipped to the U.S. must avoid Xinjiang polysilicon altogether, as well as tracing metal silicon supply to sources outside Xinjiang," Bloomberg NEF said in a statement. About half the world's polysilicon will be produced in Xinjiang this year, while the U.S. will account for approximately 14% of global for solar panels, BNEF datashows.

In June, the White House announced that personnel at all U.S. ports had been instructed to begin "immediately" detaining shipments containing silica-based products made by Chinese manufacturer Hoshine Silicon Industry (Shanshan) Co., Ltd. Around the same time, the U.S. Department of Commerce Department added Hoshine and four other solar-related companies with facilities in Xinjiang to its export blacklist.

Exporters selling solar products could seek to switch vendors in theirsupply chains for items intended to be exported to the U.S., or ensure they useonly manufacturing lines outside of Xinjiang, BNEF said last month in response to the Biden's administration's curbs on Hoshine. The U.S. imported $8.2 billion in solar cells and modules in 2020.

U.S. customs in January blocked a shipment of shirts made by Japanese clothing giant Fast Retailing Co.'s Uniqlo line for violating an order prohibiting imports of items suspected to be produced by forced labor from China's state-owned Xinjiang Production and Construction Corps. Uniqlo said it had submitted paperwork to U.S. Customs showing its products met the import requirements and that it has mechanisms in place to identify human rights violations in its supply chain.

Hong Kong-based Esquel Group, which isn't listed, is suing the U.S. over what it's calling the "erroneous" blacklisting of its unit Changji Esquel Textile Co. Ltd., maintaining it was "falsely implicated" in the use of forced labor in Xinjiang. The company supplies retailers including China's Anta Sports Products Ltd., Hugo Boss and Ralph Lauren.

The latest bill, which passed the Senate unanimously, also broadens the scope of asset- and visa-blocking sanctions related to Xinjiang to include foreign individuals and entities.

Source: bloomberg.com– July 14, 2021

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EU puts on hold plans for digital tax

The European Union (EU) has 'put on hold' plans for a digital tax on technology giants like Amazon, Facebook and Google. The decision reportedly follows pressure from the United States, which believes the EU's levy has been made redundant by a separate agreement to reform the global tax system. The EU-wide tax plan is part of a bid to boost financial resources and pay for the post-COVID-19 recovery.

First agreed to by the G7, the international agreement includes plans to redistribute taxing rights and set a global minimum tax rate of 15 per cent for corporations. It was given a further push recently when G20 finance ministers and central bank governors gave their nod.

"Successfully concluding this process will require a final effort, a final push by all parties, and the Commission is committed to focusing on that effort," a spokesperson for the European Commission said. "For this reason, we have decided to put on hold our work on a proposal for a digital levy."

The spokesperson, however, refused to say whether US lobbying played a part in its decision to pause its digital tax plans.

The EU executive plans to 'reassess' its proposal in October, which is when the G20 want the technical details finalised.

EU countries like France, Spain and Austria argue that big tech corporations are not paying their fair deal of taxes because taxing rights are still determined by the place where the company's headquarters is based—usually in countries that offer low tax rates, like Ireland—instead of by the place where the goods and services are being purchased by customers, which, in their view, marks the moment the real revenue actually originates.

Worried about growing fragmentation inside the single market, the European Commission began working on an EU-wide digital tax with the aim of making it operational by 2023. The executive had previously said the levy would be modest and non-discriminatory and would work in parallel to the international agreement being pushed by the Organisation for Economic Cooperation and Development (OECD).

However, the United States disagrees, arguing that such a digital levy would be discriminatory as the primary target would be US corporate giants, which dominate the online services market globally.

Ever since the G7 reached the landmark tax deal, Washington has requested the EU to wait for at least the technical details of the OECD agreement are finalised.

Source: fibre2fashion.com– July 15, 2021

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UK cancels TAP with immediate effect

The UK's Department for International Trade (DIT) has cancelled the popular and effective Tradeshow Access Program (TAP) with immediate effect.

As per an Innovation in Textiles report, The TAP export scheme provides financial support to smaller companies as they start their export journey. It also provides a small amount of financial support to SME companies attending major international trade shows.

The UK Fashion and Textile Association (UKFT) has worked with these companies and the government to ensure the grants are used in the most effective way and to help companies grow through international sales.

Over the years, the scheme has launched many household names in Paris, Milan, New York, Shanghai, Berlin and Florence, including: Paul Smith, Vivienne Westwood, Alex Monroe, Edward Green, Abraham Moon, Tateossian, Jenny Packham, Orla Kiely, Simon Carter, Grenfell, Harris Tweed Hebrides, Sunspel, Christopher Raeburn, People Tree, Kestin Hare, Liberty Fabrics, Folk, Melin Tregwynt, Huddersfield Fine Worsted, Tyler and Tyler, GH Hurt.

In addition, UKFT has been able to use the scheme to promote the broader industry including larger companies like Johnstons of Elgin, Begg Scotland, John Smedley, Corgi Hosiery and Dents who have worked with UKFT to support smaller companies coming through and raise the profile of UK plc at a number of international shows.

Source: fashionatingworld.com– July 15, 2021

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Turkey's Apparel Supply Chain Preps for Digital to Drive 50% of Sales

Disruptions across global supply chains opened up a glaring need for digitization to fill these gaps. But in Turkey, one industry body says the market's apparel sector has been fully equipped to handle the challenges faced both throughout the pandemic and going forward, namely because online sales continue to skyrocket.

While approximately 14 percent of Turkish apparel sales occurred online at the end of 2020, the Istanbul Apparel Exporters' Association (IHKIB) believes this percentage can grow to 50 percent. Anticipating such high growth, the association argues that Turkey's flexible apparel manufacturers are well positioned for the shift to strong online spending. Before the pandemic, these manufacturers already produced quick-turn, smaller quantities across various fabrics, including denim, hosiery, outerwear and knitwear.

In 2020's pivot to e-commerce, Turkish apparel manufacturers stepped up to the plate, exporting 10 percent more apparel goods than in 2019.

On the B2B side, Turkish mills hopped on digitization via digital communication and design technologies, enabling brands to cater to retail demand shifts and address orders in real time. During the pandemic, the mills leveraged these technologies to keep open communication with buyers when they requested order cancellations or delays.

These mills sought to prevent certain processes from overlapping, which often occurs without real-time communication, says IHKIB board member Mehmet Kaya.

"Whether it is through redundancies in design and sampling, particularly as many brands and manufacturers relied on physical samples, the IHKIB is looking to mitigate partner chain overlaps," Kaya said. "The association is promoting digitization, particularly the use of software tools to eliminate overlapping activities and help companies increase their profitability and save their margins."

Before 3D sampling, the physical sampling phase between producers and buyers lasted longer, said IHKIB board member Ismail Kolunsağ.

"When a customer asked for a small sample change, this would force the restart of the whole process. Now, it takes only a few minutes to apply changes," said Kolunsağ. "If brands are using the same software system as manufacturers, they do not have to ask for a change, as they can do this on their own."

Trade shows, sustainability, bolster digitization initiatives

Digitization doesn't just apply to design and sampling. IHKIB believes ERP systems and traceability systems give supply chains greater insight into customer data, purchase orders and raw material origins.

Digitization also extends to industry trade shows. During the pandemic, Turkey's apparel industry showcased its adaptability when IHKIB hosted two all-digital Fashion Week events in October 2020 and April 2021. Throughout April's Fashion Week, designers had complete creative control over how they could bring their digital collections to global audiences. They could choose the theme, season or gender they wanted to showcase, as well as their own location to shoot video.

IHKIB, which represents 67 percent of Turkey's apparel exports and has more than 17,600 exporter members, also believes that digitization and sustainability are interrelated subjects, so brands must consider those conversations hand in hand.

"It is not possible to trace and control sustainability without digitization. It has transformed the industry into a new shape," Kolunsağ said. "For instance, with digitization, denim producers are now using laser technology in the designing processes. Thanks to that, the water consumption in denim production has decreased."

Turkey focuses on US market

The Turkish apparel industry has another incentive driving its digitization push—gaining a foothold in the massive U.S. market. While between 65 and 70 percent of Turkish apparel production goes to E.U. countries, only 4 percent goes to the U.S., according to IHKIB.

"We're confident in targeting our goal to double our export value to the U.S., and the industry is following suit by strongly investing in new factories and new digitalization technologies," said IHKIB chairman Mustafa Gültepe.

Currently, Turkey exports between $650 million and $700 million in apparel goods to the U.S. annually, the association said. Gültepe believes digitization will enable more manufacturers to gain access to new brands and learn more about customer and product demands. If the industry digitization is adopted in full, he estimates that the country has a potential export value of $5 billion to the U.S. market.

Source: sourcingjournal.com– July 15, 2021

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Bangladesh emerging as top influential state in region: Australian expert on Indian Ocean security

Bangladesh emerging as top influential state in region: Australian expert on Indian Ocean securityDr David Brewster, a senior research fellow at Australian National University's National Security College and an expert on Indian Ocean security, has referred to Bangladesh's economic growth and described how the country is becoming an increasingly influential state in the region.

He mentioned that Dhaka is more confident in its role and the rest of the world would benefit from paying close attention.

In his recent article titled "A rising Bangladesh starts to exert its regional power", Brewster said the recent announcement that Bangladesh would provide US$200 million to Sri Lanka is an important turning point as the country moves from being an impoverished supplicant towards an increasingly influential state.

He thinks it is an outcome of years of high economic growth and points to Dhaka's potential to become an important Indo-Pacific middle player.

When it gained independence from Pakistan in 1971, Brewster said, Bangladesh was one of the poorest countries in the world with few apparent prospects -- former US Secretary of State Henry Kissinger apocryphally called it a "basket case".

Today, he said, Bangladesh is a confident country of over 160 million people with a booming, export-oriented economy, which has grown at an annual average of about 6 percent for two decades.

The economic growth slowed to 5.2 percent in 2020 due to Covid-19, and is forecast by the ADB to bounce back to 6.8 percent in 2021 and 7.2 percent in 2022. GDP per capita now stands at $2,227, higher than India's ($1,947) and much higher than Pakistan's ($1,543).

Dhaka's recent aid to neighbouring Sri Lanka was a first in Bangladesh extending financial assistance to any other country.

"Just as importantly, Bangladesh scores well against India and other South Asian countries in many social indicators, including health, life expectancy, birth rates and employment of women," Brewster wrote in his article that appeared on The Interpreter that features daily commentary and analysis on international issues.

He said the sustainability of Bangladesh's growth story is not without its sceptics who question official growth figures or point to its heavy reliance on garment exports, which could make it financially vulnerable.

Since 2008, Prime Minister Sheikh Hasina has presided over a relatively stable civilian administration, Brewster wrote, mentioning that she is publicly popular.

He said Australian Foreign Minister Marise Payne is now known to be keen on building ties, and there are signs that the two sides want to move the relationship beyond aid.

An agreement to facilitate trade and investment has been finalised and is close to signing, which could help open opportunities for Australian agriculture, resource and energy exports to a booming Bangladesh, the article reads.

"Australia could do well in moving beyond traditional regional partners. Greater focus needs to be given to building ties with emerging middle powers such as Bangladesh to complement relationships with the big powers," Brewster wrote.

The article is part of a two-year project being undertaken by the ANU National Security College on the Indian Ocean, with the support of the Australian Department of Defence.

Source: thedailystar.net– July 16, 2021

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Bangladesh: Envoy Textile to set up spinning project expansion unit

Envoy Textile has decided to set up a spinning project expansion unit at its existing factory premises with an estimated total cost of Tk 1761.90 million.

The new expansion project will be set up at Jamirdia in Bhaluka, Mymensingh having a capacity of 3,710 metric tonnes cotton-polyester-spandex core-spun yarn productions per year, the company said in a filing with the Dhaka Stock Exchange (DSE) on Thursday.

Out of the total estimated cost of the project, Tk 561.90 million to be invested from the company's retained earnings and the remaining Tk 1200 million to be financed by bank borrowings. The debt-equity ratio is considered at nearly 32:68, according to the filing.

The project is scheduled to be completed by July 2022, subject to a usual business and health environment condition. The project is configured with all European and Japanese machinery with state-of-the-art ring spinning production facilities.

Around 98 per cent of capacity is assumed to be utilised. Production of around 60 per cent to 70 per cent to be consumed in-house for the denim production, and the remaining is for the deemed export market.

The project is expected at a payback of investment by seven years. Each share of the company, which was listed on the DSE in 2012, closed at Tk 31 on Wednesday.

The company disbursed a 5.0 per cent cash dividend for the year ended on June 30, 2020. In 2019, it had provided a 15 per cent cash dividend.

The company's paid-up capital is Tk 1.67 billion, authorised capital is Tk4.0 billion and the total number of securities is 167.73 million.

The sponsor-directors own 45.58 per cent stake in the company while the institutional investors own 43.59 per cent, foreign investors 0.06 per cent and the general public 10.77 per cent as of May 31, 2021, the DSE datashow.

Source: thefinancialexpress.com.bd– July 15, 2021

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NATIONAL NEWS

Textile Ministry submits re-drafted PLI scheme with wider scope for Cabinet approval

Industry demand to add inputs to eligible products list, lower eligibility threshold considered

The Textile Ministry has re-drafted the much-awaited ₹10,683 crore Production Linked Incentive (PLI) scheme for the textile sector, to include a wider range of items with focus on value-addition, and has submitted the fresh Cabinet note for approval after getting a nod from the Expenditure Finance Committee (EFC).

“After consultations with the industry and experts, the Ministry re-drafted the list of items eligible for the PLI scheme to encourage more value addition. Demands to lower the turnover threshold to include smaller players was also considered,” an official tracking the matter told BusinessLine.

Following inter-ministerial consultations, a Cabinet note was drafted on the recommendation of the EFC and has now been submitted to the Cabinet Secretariat, PMO and Department of Expenditure for approval of the Cabinet.

Focus Product Incentive Scheme

The PLI scheme for the Textile industry is to be implemented through the Focus Product Incentive Scheme which is focussed on creating global champions in man-made fibre (MMF) and technical textiles sectors.

The scheme will provide incentive from 3 per cent to 15 per cent on stipulated incremental turnover for a period of five years after one year gestation period for brownfield investment (companies already in operation) and two years gestation period for greenfield investment (new set-ups).

The initial plan of the Textile Ministry was to offer the ₹10,683 crore allocated under the scheme for incremental production in 40 identified MMF apparel items and 10 technical textiles lines over five years.

But the industry and experts pointed out that it was important not to restrict the benefits to end-products such as sweaters, garments, diapers and sanitary napkins but to also extend it to much needed inputs for the industry such as fibre and filaments to encourage value addition in the country.

To be implemented soon

"The re-working of the list of items and considering demands including lowering eligibility threshold took some time. But the scheme is now ready and will be implemented as soon as the Cabinet gives its nod," the official said.

As per the initial plans, for brownfield companies the incentive rates were reportedly proposed to be fixed at 9 per cent of turnover in the first year for companies with a turnover of ₹100-500 crore (for 50 per cent incremental turnover) and 7 per cent for those above that. In the subsequent four years it would keep decreasing.

For greenfield projects (new set-ups), a minimum investment of ₹500 crore was reportedly proposed with incentives at 11 per cent to start with. The industry had complained that the threshold levels were too high and needed to be brought down to include small scale units.

Textiles is one of the 13 sectors for which the Centre has announced the PLI scheme to enhance India's manufacturing capabilities and exports.

Source: thehindubusinessline.com– July 15, 2021

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Shri Piyush Goyal holds an in depth review of initiatives undertaken by Ministry of Textiles for giving a boost to the textiles sector

Union Minister of Textiles, Commerce & Industry, Consumer Affairs & Food & Public Distribution, Shri Piyush Goyal held an in depth review of initiatives undertaken by Ministry of Textiles for giving a boost to the textiles sector here today. Minister of State for Textiles, Smt.Darshna Jardosh was also present.

Shri U.P. Singh, Secretary Textiles, Shri V. K. Singh, Additional Secretary, Joint Secretaries, DC Handicrafts and other senior officials of the Ministry participated in the meeting.

Shri V. K. Singh made a detailed presentation giving an overview of the entire Textiles Sector. The Minister was briefed about the broad contours of Indian Textiles Sector. It was informed that Textiles which is one of the oldest industries in India, dating back several centuries contributes 2.3% to Indian GDP, 7% of the Industrial Output,12% to the export earnings of India and employs more than 45 million persons (Direct) which is 21 % of total employment.

India is the 6th largest producer of Technical Textiles with 6% Global Share (12% CAGR), largest producer of cotton & jute in the world. Cotton production supports 5.8 Million farmers & 40-50 Million people in allied sectors. India is also the second largest producer of silk in the world and 95% of the world's hand woven fabric comes from India.

Speaking on the occasion, Shri Piyush Goyal said that by enhancing productivity of local artisans & domestic industry, we will realise the vision of an Atmanirbhar Bharat under the leadership of the Prime Minister Shri Narendra Modi. He further said that Textiles sector has great potential and it should be realised by using innovations, latest technology and facilitations.

The Minister also expressed confidence that there will be a big growth in this sector. He asked the concerned officials to think and undertake necessary measures for increasing income of people employed in Textiles, put efforts to bring consistency in quality of handloom and eliminate child labour from the textiles sector.

Source: pib.gov.in– July 15, 2021

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Potential of textiles sector should be realised by using innovations, latest tech: Piyush Goyal

The textile sector has great growth potential and it should be realised by using innovations, the latest technology and facilitation, Union Minister Piyush Goyal said on Thursday.

While reviewing initiatives undertaken by the textile ministry, Goyal said by enhancing the productivity of local artisans and domestic industry, the vision of an Aatmanirbhar Bharat can be realised.

The textile minister also asked the concerned officials to put efforts to bring consistency in the quality of handloom and eliminate child labour from the sector.

The sector contributes 2.3 per cent to India's GDP, 7 per cent of the total industrial output,12 per cent to the export earnings and employs more than 45 million people directly.

India is also the sixth largest producer of technical textiles, with a 6 per cent global share and it is the largest producer of cotton and jute in the world.

The country is the second-largest producer of silk in the world and 95 per cent of the world's hand-woven fabric comes from India.

Source: economictimes.com– July 15, 2021

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Textile sector hails continuation of taxes, levies rebate scheme

The textile and clothing industry is confident of growth in exports of apparels and made ups as the Union government announced on Wednesday continuation of the Rebate of State and Central taxes and Levies (RoSCTL) scheme till the end of March, 2024.

Cotton Textiles Export Promotion Council chairman Manoj Patodia said the extension of the RoSCTL scheme is a positive development that will improve the competitiveness of made ups articles in the export markets. In the textile sector, overseas buyers place orders and exporters have to chalk out their activities well in advance and, therefore, it is important that the policy regime regarding export of textile products should be stable. The exporters can now take a long term perspective while negotiating export orders.

A. Sakthivel, chairman of Apparel Export Promotion Council, said the Scheme will refund all embedded taxes and make Indian apparel and made up products globally competitive. "The scheme will go a long way in bringing back positive sentiments and helping the Indian textile value chain attain $100 billion annual exports in next three years," he said. The scheme will help check the declining trend witnessed in apparel exports. India's apparel exports fell 20.8 % in one year, from $15,509 million in 2019-20 to $12,289 million in 2020-21.

T. Rajkumar, chairman of Confederation of Indian Textile Industry, said the textile products that are exported includes the embedded taxes/ levies to the tune of 5 % to 6 % and these are currently not rebated under any other mechanism. The RoSCTL will help exporters get some of the cost reimbursed and reduce their financial burden.

Chairman of Southern India Mills' Association Ashwin Chandran said the the textile and clothing industry had been seeking extension of the RoSCTL scheme to mitigate the crisis created by the pandemic.

The industry struggled to commit orders to buyers in the absence of RoSCTL benefit and has been facing stress during the last couple of months. The announcement on Wednesday has given confidence to exporters and created a level-playing field to increase the exports and create new jobs.

According to Raja. M. Shanmugham, president of Tiruppur Exporters' Association, the scheme will benefit exporters in the long term too to work out the costing as the exporters usually take up orders four to six months in advance.

The "timely intervention" will give thrust to apparel and made up exports as international brands, especially those in the US, are looking at India as a credible alternative sourcing destination to India, said Prabhu Dhamodharan, convenor of Indian Texpreners' Federation.

Source: thehindu.com– July 15, 2021

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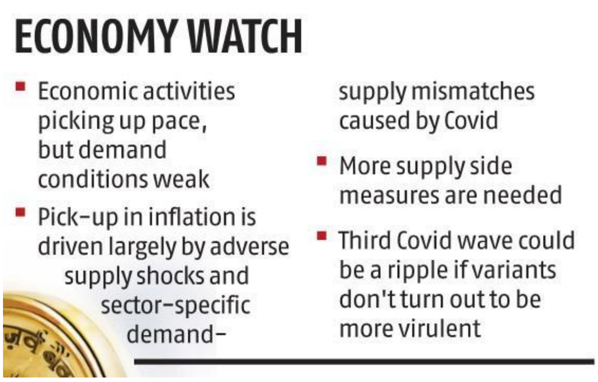
India's economy may have grown 22.1% in Q1, but demand is still low: RBI

The tapering of the second Covid-19 wave, coupled with an aggressive vaccination push, has brightened the near-term prospects for the Indian economy, and real gross domestic product (GDP) growth is estimated at 22.1 per cent in the April-June quarter, the Reserve Bank of India (RBI) said in its July bulletin on Thursday.

"A solid increase in aggregate demand is yet to take shape. Even with a 9.5 per cent GDP growth in 2020-21, there will be substantial slack in the economy and demand pressures may take some more time to become evident," the central bank warned in the article titled State of the Economy.



"On the supply side, agricultural conditions are turning buoyant with the revival in the monsoon, but the recovery of manufacturing and services sectors has been interrupted by the second wave," it said.

The RBI said a pick-up in inflation was driven largely by adverse supply shocks, such as in the case of protein-rich food items, edible oils and pulses, and sector-specific demand-supply mismatches caused by the pandemic. "These factors should ease over the year as supply side measures take effect," it said.

Even as inflation remained above the RBI's tolerance band during June-November 2020 and again moved above the upper threshold of 6 per cent in May and June 2021, the sense now is that "inflation will persist at these elevated levels for some months before easing in the third quarter of 2021-22 when the kharif harvest arrives in markets".

Steps have been taken to address specific supply-side measures, "but more needs to be done", the report said. Coming to the pandemic itself, the report said a mathematical model had suggested that in the best and normal course, the third wave could just be a ripple and life would return to normalcy by August. However, in its pessimistic scenario, which assumes that a new 25 per cent more infectious virus other than Delta+ spreads in August, there will be a bigger impact.

“If there is no such mutant, the third wave will be a ripple and comparable to the first. If there is an immunity-escape mutant, however, all the above scenarios will be invalid,” it said. Meanwhile, a lull in infections should be taken as an opportunity to be seized to prepare for a possible third wave, it added.

The demand condition, though, should improve, as is evident from strong sets of data coming from various sectors. These include e-way bills, freight, electricity generation, and housing. The Google mobility index is now above the same period last year as states ease the lockdowns in phases, it said.

Two-thirds of net foreign capital inflows received by India during the fourth quarter of the last fiscal were absorbed domestically, instead of passively adding back to reserves. Foreign exchange reserves reached an all-time high of $610 billion on July 2, equivalent to 18.4 months of 2020-21 imports.

“The pick-up in the investment rate, if sustained, will improve the outlook for India’s potential output and as a result, the nation’s external solvency. The resilience of remittances in the face of the pandemic also augurs well for the prospects for gross disposable income and hence domestic consumption,” the report said. “Aggregate demand conditions are recovering, spurred by unlock measures and the pace of vaccination.”

Internationally, though, a couple of concerns have emerged, pushing up inflation. For example, freight rates have risen more than five times in recent times. The report also pointed out a sharp rise in domestic fuel prices, which is also pushing up kerosine and cooking gas prices.

The report also touched upon the volatility in the bond market globally, including in India. “At stake for markets is the orderly evolution of financial prices. At stake for central banks is the weak economy which would not be able to withstand liquidity and rate tightening in its current state of health, and the fragile recovery that is being painstakingly scripted could be at risk.”

Central banks have put their inflation credibility on the line, “challenging the market’s view by renewing their commitment to stay accommodative or to undertake a very gradual, multi-year adjustment. The key, as in the rest of life, is to strike the right balance,” it said.

Source: business-standard.com– July 16, 2021

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Address shortage of containers for shipping, says exporters

The Tirupur Exporters' Association (TEA) on Thursday requested the Union Minister for Ports and Shipping Sarbananda Sonowal to address the shortage of containers for shipping.

In a letter to the Minister, a copy of which was released to reporters, president of TEA Raja M Shanmugham said exporting units are now facing shortage of containers, increased waiting time to get them at ports and rise in freight charges.

"We understand that the hike in freight fees is attributed to COVID-19 that has left global shippinglines with backlogs and delays due to labour shortage, reduced capacity of logistics systems, congestion at ports as well as quarantined cargo," he said.

The knitwear export from Tirupur is Rs 25,000 crore and is expected to pick up after permission is given to engage 100 per cent of employees as against the low number working owing to the COVID situation, he said.

Source: economictimes.com– July 15, 2021

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Along with PLI scheme, govt should focus more on FTAs, successful implementation of MITRA: CRISIL's Director

Textiles are important to India's $313 billion merchandise exports. The sector is also a significant employment generator.

Though India is facing stiff competition from Vietnam and Bangladesh, who are doing better than us in cotton yarn and ready made garments (RMGs), our country is in a favourable position with China facing political backlash globally.

However, capitalising on this opportunity would need continuous and concerted effort. CRISIL's Director Hetal Gandhi spoke to BusinessLine on the competitive landscape, government's schemes and growth opportunities for India. Excerpts.

What have been the major reasons for the drop in share of textiles in overall merchandise exports from India?

Share of textile in overall Indian merchandise trade declined to 11 per cent in 2020-21 from 14 per cent in 2014-15 with Indian textile exporters losing to rival economies on price competitiveness. India started losing textile export share specifically in segments like RMGs and cotton yarn to countries with cost advantage such as Vietnam, China and Bangladesh.

Further, these countries continued to offer better incentives to exporters and investors. It led to an increase in share of these countries whereas India was able to only maintain its share in RMG from at 3 per cent and lost share in cotton yarn from 30 per cent in 2013 to 26 per cent in 2020.

Free trade agreements like Bangladesh with the EU and Vietnam with the US also aided countries to maintain significant pricing differences with Indian textile players.

How have Vietnam and Bangladesh upped the game in textile exports in the recent decade?

Both Vietnam and Bangladesh signed trade agreements with key RMG export destinations. Along with trade agreements, both these countries provide support to RMG exporters in terms of better infrastructure, facilities, cost advantage and export incentives.

Bangladesh enjoyed a cost advantage in the EU which led to an increase in its share from 4 per cent in 2005 to 6 per cent in 2020, whereas Vietnam enjoyed the status of most favoured nation in the US and gained share from 4 to 19 per cent during the same period.

How will the recently introduced PLI scheme for MMF (man made fibre) change the scenario on the export front?

A large portion of RMG export from India is based on cotton – 65 per cent. However, in global trade the demand for MMF-based garments and apparels is higher – 70 per cent. So, it restricts Indian exporters in the highly competitive global trade.

Now under the PLI scheme, the focus is on MMF and technical textile sectors. The scheme will incentivise the players which have the capability to increase the MMF-based product volumes rapidly. It will help them to achieve economies of scale and hence cost advantage as well.

Our analysis indicates that at 9 per cent incentive rates the scheme will bring in the additional revenue opportunity of ₹1,50,000 crore which translates into 2.5-3 million tonne capacity addition and 30 per cent increase in export potential.

If the entire benefit is passed-on, it will provide cost competitiveness to Indian exporters and manufacturers. However, this may not be sufficient, hence continuous drive for free trade agreements (FTAs) and successful implementation of the MITRA scheme is inevitable to drive competitiveness in textiles.

How can the government make MITRA programme successful?

MITRA (Mega Investment Textile Park) scheme focuses on developing world class parks for textile manufacturers with plug and play infrastructure.

What remains a monitorable is the size of the parks. Parks developed under the previous textile park scheme, SITP or Scheme for Integrated Textile Parks, were of less than average 100 acre compared to larger parks in Vietnam, China and Bangladesh. Some of the parks announced by countries like Vietnam remain substantially larger in size.

For example, Rang Dong Textile Industrial Park in Vietnam is plannedover 5,200 acre, Chengdu Huamao International Garment Industrial Park in China is spread over about 2,500 acre and Chattogram Export processing zones spread over 450 acre.

In India, Brandix India Apparel City Pvt Ltd is the only operational park with an area of about 1,000 acre. MITRA looks at focusing on larger than this size but focus on deeper differentiators with significant incentives will provide unique positioning for Indian exporters.

How will the extension of RoSCTL scheme benefit the sector in the current context?

The government announced to extend the RoSCTL (Rebate of State and Central Taxes and Levies) or rebate on Central and State taxes scheme to provide further support to garment exporters.

Under the scheme, garment exporters, who are not entitled to get benefit under RoDTEP (Remission of Duties or Taxes on Export Products) scheme, will be incentivised as per the previously announced rates for different garment categories till March 2024.

The move will increase the cost competitiveness of Indian exporters in the global trade against rival countries. Revised guidelines on scheme continuation will be announced later and incentives could vary from 2-6 per cent.

Source: thehindubusinessline.com– July 15, 2021

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Eliminate child labour from textiles, increase incomes: Piyush Goyal

Textiles minister Piyush Goyal on Thursday pushed for elimination of child labour from the textiles sector besides measures to increase the income of those employed in the sector and efforts to bring consistency in quality of handloom products.

In a review meeting with the officials of the ministry, he also expressed confidence that there will be a big growth in this sector, the government said in a release.

"He asked the concerned officials to think and undertake necessary measures for increasing income of people employed in textiles, put efforts to bring consistency in quality of handloom and eliminate child labour from the textiles sector," the ministry said.

Goyal also stressed on enhancing the productivity of local artisans and domestic industry for Atmanirbhar Bharat, and said the sector has great potential which should be realised by using innovations, latest technology and facilitations.

As per the government, textiles contributes 2.3% to the gross domestic product, 7% of the industrial output, 12% to the export earnings and directly employs more than 45 million persons which is 21% of the total employment. India is the sixth largest producer of technical textiles with 6% global share, and the largest producer of cotton and jute in the world.

Cotton production supports 5.8 million farmers and 40-50 million people in allied sectors. India is also the second largest producer of silk in the world and 95% of the world's hand woven fabric comes from India.

Source: economictimes.com– July 15, 2021

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Exports up 48.34% to $32.5 billion; trade deficit at $9.37 billion in June

Recording growth for the seventh month in a row, India's exports rose by 48.34 per cent to USD 32.5 billion in June on account of healthy growth in shipments of petroleum products, gems and jewellery, and chemicals, even as trade deficit stood at USD 9.37 billion, according to the official data.

Exports in June last year stood at US 22 billion and USD 25 billion in June 2019. In May 2021, outward shipments were worth USD 32.27 billion and USD 31 billion in April this year, the data released by the Commerce Ministry on Thursday showed.

Imports in June too rose by 98.31 per cent to USD 41.87 billion, leaving a trade deficit of USD 9.37 billion as against a trade surplus of USD 0.79 billion in the same month last year.

During April-June 2021, the exports increased by 85.88 per cent to USD 95.39 billion. Imports expanded to USD 126.15 billion during the first three months of the fiscal as against USD 60.44 billion in the same period last year, the data showed.

Trade deficit during the quarter was aggregated at USD 30.75 billion as against USD 9.12 billion during April-June 2020. The deficit during June has increased as compared to May when it was USD 6.28 billion.

Oil imports in June were USD 10.68 billion, which were 116.51 per cent higher compared to USD 4.93 billion in June 2020. During April-June 2021, the imports stood at USD 31 billion as against USD 13.08 billion during the same quarter previous fiscal.

India's overall exports (goods and services combined) in April-June 2021, according to the data, are estimated to be USD 147.64 billion, exhibiting a positive growth of 50.24 per cent over the same period last year.

Gold imports in June grew by about 60 per cent to about USD 970 million.

Commenting on the data, Federation of Indian Export Organisations (FIEO) President A Sakthivel said that the need of the hour is to soon notify the RoDTEP rates to remove uncertainty from the minds of the trade and industry.

ICRA Ltd Chief Economist Aditi Nayar said that with surging exports and relatively subdued gold imports in May-June 2021 dampening the aggregate trade deficit to a three-quarter low USD 31 billion in Q1 FY'2022, "we expect the current account to revert to a small surplus in that quarter".

"In line with the sequential recovery displayed by most high frequency indicators, non oil non gold imports rose in June 2021, reflecting a pickup in demand with the gradual unlocking as well as the high commodity prices," she said.

Source: financialexpress.com– July 15, 2021

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Rebate policy extension will boost cotton sector: Welspun India

In a big boost for the textile sector, the cabinet has extended the Rebate of State and Central Tax Levies (RoSCTL) scheme till March 2024. The rebate will be at the same rate as notified by the Textile Ministry in March.

To understand the impact, CNBC-TV18 spoke to Dipali Goenka, CEO & Joint Managing Director at Welspun India. Goenka said, "There were couple of uncertainties, and we have been waiting for a long time and this announcement has been a transformational decision. This has actually given us a long road ahead to invest in this business."

She added, "Our commodities are at an up surge, cotton, chemicals, coal and the others, they are on the upsurge. This actually helps us to be competitive with Bangladesh and Vietnam in the long run. I think that is where we see and we poise ourselves against. Far more investments will come into this category and more employment and more foreign currency as well."

Goenka further said, "As textile manufacturers, we will invest where it is needed. Welspun is very strong on its path of becoming the FMCG for textiles, where we are talking about digitisation, a brand portfolio and also about creating a portfolio of supply chain collaboration."

On exports, she said, "India is the largest producer of cotton and the largest exporter of cotton yarn and cotton as well. Bangladesh imports cotton from us and fundamentally that advantage India has. I will talk from home textile category, we are completely integrated in supply chains and that is the advantage India has."

On PLI scheme, she said, "PLI is very much focused on man-made fibres and that is what it is, and that actually is one thing the government has done is, supporting man-made fibres because that again is something, which has been lying low. But with the Rebate of State and Central Levies and Taxes (RoSCTL), there will be a massive boost on the cotton segment and PLI will give the boost to the man-made fibres."

For full management commentary, watch the video click here

Source: cnbctv18.com– July 15, 2021

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Why the subsidy scheme for ship owners is flawed

The subsidy scheme for local fleet owners approved by the Cabinet on Wednesday for hauling government-owned cargo and boost Indian tonnage suffers from several flaws.

In the views of prime minister Modi-led Cabinet Committee on Economic Affairs (CCEA), a subsidy support is necessary to improve the competitiveness of Indian flagged ships against its foreign peers. This would also make it more attractive to flag cargo ships in India as their current relatively higher operating costs would be offset to a large extent through the subsidy support.

By linking access to cargo owned by state-run firms to investment in Indian ships, the Cabinet reckons that more government imports would be carried on Indian flag ships and help arrest the declining share of Indian ships in the country's export-import cargo.

The subsidy scheme, though, is a short-term, knee jerk response by the government to expand the national fleet - currently a meagre 1.2 per cent of the world fleet in terms of capacity - which will do more harm than good to the local shipping industry in the long run.

It will give scope to foster bad industry practices such as cartelisation and promote inefficiencies at the expense of state-run importing entities. Besides, only 3-4 fleet owners would stand to benefit from the scheme as it is applicable only to crude, LPG, coal and fertiliser cargo imported by state-run firms and ministries on the basis of global tenders.

Operating costs

A subsidy to neutralise the adverse effects of Indian taxation and corporate laws that has inflated the operating costs of Indian ships, lacks logic. The effort should have been to remove those adverse effects without been seen as partisan to one industry.

The shipping industry has already been singled out earlier for a separate tax treatment on par with a global practice. In 2004, the government introduced tonnage tax for the shipping industry to help fleet owners compete on a global stage where close to 90 per cent of the tonnage operate on a low level of tax in the range of 1-2 per cent.

The tonnage tax helped ship owners to offset the cost implications of statutory levies applicable to all industries. However, a few years later, the shipping industry found the advantages of tonnage tax fade away as new levies were introduced.

The high operating costs of Indian ships (estimated at about 20 per cent on a foreign voyage) are attributed to higher costs of debt funds, shorter tenure of loans, taxation on wages of Indian seafarers engaged on Indian ships, IGST on import of ships, blocked GST tax credits, discriminatory GST on Indian ships providing services between two Indian ports, all of which are not applicable to foreign ships providing similar services.

In view of this, Indian ships became less competitive, which in turn made the right of first refusal (RoFR) policy incapable of growing Indian tonnage.

RoFR policy

According to the RoFR policy, Indian flagged ships have a right to match the lowest rate offered by a foreign flag ship in tenders issued by state-run firms for hiring ships and take the contract. If Indian shipping companies declined, then only the foreign flag ship, that had quoted the lowest rate, is allowed to carry the cargo or provide services.

The Indian National Shipowners Association (INSA), the local industry lobby, issued no-objection certificates (NOCs) in 95 pe cent of the cases processed under the RoFR mechanism, implying that Indian fleet owners declined to match the lowest rate quoted by foreign shipowners and take the contract.

By the Cabinet’s admission, “RoFR does not ensure bankable long-term contracts and it is only an opportunity to match the rate provided by foreign shipping companies which enjoy a competitive advantage due to lower operating costs”. The policy of RoFR for Indian ships will only be beneficial provided Indian ships are made competitive, the Cabinet observed while backing the subsidy scheme.

In effect, Indian ships will get extra money from the government on the rates discovered through a competitive tendering process to carry the cargo. The argument that foreign ship owners will have to flag ships in India using the 100 per cent FDI route to secure Indian state-owned cargo contracts, thereby boosting Indian tonnage, does not carry weight. This is more so because they will be subjected to the same taxation and corporate laws which the Indian owners are subjected to now. Plus, there is the risk of the five-year time frame of the subsidy scheme.

The cause of Indian shipping would have been best served if the ₹1,624 crore budgeted for the subsidy pay-out was used as a seed capital to build a shipping fund to extend low cost, long tenure finance for buying ships, coupled with a long-term cargo support of 3-5 years from state-run firms. The long-term cargo contracts would give stable revenues and help leverage more bank funding to buy ships.

This would have helped the local industry to expand the tonnage across a broad range of ship types such as offshore vessels, oil drilling rigs, coastal ships, containers and niche vessels rather then be restricted to crude tankers, LPG carriers and bulk ships.

Such a move would have benefited both the shipping industry and the larger trade fraternity. India's exporters led by micro, small and medium enterprises have been reeling under sky-rocketing container shipping rates at a time when exports are doing well for a change. This had triggered calls for setting up an Indian container shipping company and cut dependence on foreign lines.

Source: thehindubusinessline.com– July 15, 2021

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₹ 75,000 crore released to States and UTs with Legislature as GST Compensation shortfall

Ministry of Finance has released today ₹75,000 crore to the States and UTs with Legislature under the back-to-back loan facility in lieu of GST Compensation. This release is in addition to normal GST compensation being released every 2 months out of actual cess collection.

Subsequent to the 43rd GST Council Meeting held on 28.05.2021, it was decided that the Central Government would borrow ₹1.59 lakh crore and release it to States and UTs with Legislature on a back-to-back basis to meet the resource gap due to the short release of Compensation on account of inadequate amount in the Compensation Fund.

This amount is as per the principles adopted for a similar facility in FY 2020-21, where an amount of ₹1.10 lakh crore was released to States under a similar arrangement. This amount of ₹1.59 lakh crore would be over and above the compensation in excess of ₹1 lakh crore(based on cess collection) that is estimated to be released to States/UTs with Legislature during this financial year. The sum total of ₹2.59 lakh crore is expected to exceed the amount of GST compensation accruing in FY 2021-22.

All eligible States and UTs (with Legislature) have agreed to the arrangements of funding of the compensation shortfall under the back-to-back loan facility. For effective response and management of COVID-19 pandemic and a step-up in capital expenditure all States and UTs have a very important role to play.

For assisting the States/UTs in their endeavour, Ministry of Finance has frontloaded the release of assistance under the back-to-back loan facility during FY 2021-22 ₹75, 000 crore (almost 50 % of the total shortfall for the entire year) released today in a single instalment. The balance amount will be released in the second half of 2021-22 in steady instalments.

The release of ₹75,000 crore being made now is funded from borrowings of GoI in 5-year securities, totalling ₹68,500 crore and 2-year securities for ₹6,500 crore issued in the current financial year, at a Weighted Average Yield of 5.60 and 4.25 percent per annum respectively.

It is expected that this release will help the States/UTs in planning their public expenditure among other things, for improving, health infrastructure and taking up infrastructure projects.

State/ UTs wise amount released as "Back to Back Loan in lieu of GST Compensation Shortfall" on 15.07.2021

Click here for more details

Source: pib.gov.in– July 15, 2021

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RoSCTL scheme extension for textile exporters to help create millions of jobs, boost exports: Textile body

The government's decision to extend the Rebate of State and Central Taxes and Levies (RoSCTL) scheme on apparels and made-ups till 31 March 2024 and other existing schemes for the sector will likely add another 4-6 million jobs ahead, according to the apex textile body The Textile Association (India). The Union Cabinet on Wednesday had announced RoSCTL continuation with the same rates as notified by the Ministry of Textiles in March 2019 on the export of apparels and made-ups (non-apparels such as bed linen, carpets, etc).

According to the government, the move is "expected to make these products globally competitive by rebating all embedded taxes/levies which are currently not being rebated under any other mechanism. It will ensure a stable and predictable policy regime and provide a level playing field to Indian textiles exporters. Further, it will promote startups and entrepreneurs to export and ensure the creation of lakhs of jobs."

"From the last three-four years, textile exports were stagnant at around $38-40 billion. The government is now targetting to touch $80 billion by 2024-25. In the upcoming textile policy, the government is also aiming to make Indian textiles more competitive in the world.

The biggest beneficiary here would be MSMEs and enhance India's competitiveness against Bangladesh, Vietnam, Myanmar, etc. With all these schemes implemented properly, then another 4-6 million jobs will be created," RK Vij, Vice President, The Textile Association (India) told Financial Express Online.

India's textiles and apparel sector is the second-largest employer with direct employment creation of 45 million and another 60 million in allied industries. The country is also the second-largest manufacturer of PPE kits globally.

PPEs global market is currently expected to be more than $92.5 billion by 2025, up from $52.7 bn in 2019, according to the government's Invest India initiative. While FDI in the textiles and apparels sector had hit $3.75 billion in March 2021, the country's exports of textiles and apparel are likely to grow to $65 billion by 2025-26, growing at a CAGR of 11 per cent.

Textiles ministry in a statement on Wednesday had noted that that there are various taxes/duties that are levied by central, state, and local government but are not refunded to the exporters. Such taxes and levies get embedded in the price of the final exported product that increases the price of the apparel and made-ups and makes it difficult for them to compete in the international market.

These embedded taxes include duties and cesses on fuel used for transportation of goods, generation of power and for the farm sector, mandi tax, duty on electricity charges at all levels of the production chain, stamp duty, GST paid on input such as pesticides, fertilizers, purchases from unregistered dealers, etc., and cess on coal or any other products.

On Wednesday, Apparel Export Promotion Council (AEPC) Chairman A Sakthivel welcoming the move said that the move will help “the Indian textile value chain attain $100 billion annual exports in next three years.”

Post lockdown last year, textile activity witnessed contraction before it started to recover back in September with an increase in yarn prices. The recovery had hit around 80 per cent of the production capacity by December last year. “Up to March last year, all textile units were running up to 80-90 per cent of their capacity before they contracted in production capacity to 30-40 per cent.

The activity picked up in September and by December it scaled to 80-90 per cent production capacity. Cotton and synthetic yarn made great profits with the increase in prices,” TK Sengupta, immediate past president, The Textile Association (India) had told Financial Express Online.

Source: financialexpress.com– July 15, 2021

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'Over 2.60 crore people got employment through MSMEs'

Loans worth ₹2.5-lakh crore were disbursed

Loans worth ₹2.5-lakh crore were disbursed to Micro Small and Medium Enterprises in four years, which drew investments of about ₹4-lakh crore to the State and generated 2.60 crore jobs, said Sidharth Nath Singh, Uttar Pradesh's MSME Minister.

"District-wise strategies have been prepared to promote traditional industries. Also, for the marketing and promotion of products, MoUs have been signed with online platforms such as Amazon, Flipkart and eBay," said Singh.

During the first wave of Covid-19, industries in essential commodities and exports continued to operate. Whereas in the second wave a with only a partial curfew imposed, industries and businesses operated as usual. The New MSME Act 2020 got implemented amid the ongoing pandemic, under which clearance is being given in 72 hours and exemption from various types of licenses has been given for around 1,000 days. During Covid itself, nearly 415 units have been given NOC and they are also operating industries, he added.

Now industrialisation is being promoted in villages also it is being started in Prayagraj under 'Pilot Project'. In this, arrangements are also being made for the accommodation of the workers along with the training centre.

'ODOP' scheme

Under the 'One District, One Product' scheme rolled out in 2018, Common Facility Centers have been set up in 40 out of all 75 districts of the State.

"ODOP is a big reason for the increase in the exports of UP. For this, efforts were made at every level and an export policy was formulated. Export Development Center has been set up at the district level. Exports of ₹88,967 crore in 2017-18 increased by 35 per cent to ₹1.21-lakh crore 2020-21," said Navneet Sehgal, Additional Chief Secretary, MSME.

Source: thehindubusinessline.com– July 15, 2021

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