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

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INTERNATIONAL NEWS

The U.S. Cotton Trust Protocol Sets High Standards for a Verifiably Sustainable Industry

Trust in a smarter cotton future.

Cotton is the world's friendliest fabric. It has clothed and comforted each and every one of us around the world for generations. And no one knows the importance of family and wellbeing better than the tens of thousands of farmers and collaborators that make the cotton industry possible.

The world is changing fast, and protecting the environment for future generations is a top priority for cotton growers. Meanwhile, consumers across the globe are taking action into their own hands by selectively choosing products that are sustainably sourced and manufactured.

That's why U.S. Cotton is taking great strides to deliver the highest quality, ethically grown cotton on the market. From the seed to the store, consumers can rest assured that the fabric they buy for their homes, businesses and families lives up to the values they hold and the transparency they demand.

Launched in 2020, the U.S. Cotton Trust Protocol is the initiative and science-based program for major manufacturers, brands, and retailers to source sustainably grown and manufactured cotton. The U.S. Cotton Trust Protocol sets and delivers real-time benchmarks of continuously improving six key sustainability metrics for cotton growers and mills in line with the United Nations 2025 Sustainable Development Goals: Land use, water management, soil carbon, soil loss, greenhouse gas emissions and energy efficiency.

The U.S. Cotton Trust Protocol empowers its over 500 members by providing the means to deliver quantifiable and verifiable measurements and outputs from their sustainable growing and manufacturing practices. Through their Protocol Verified Cotton methodology, followed by vetted second- and third-party verification processes, U.S. Cotton Trust Protocol guarantees supply chain transparency and gives members the chance to demonstrate to the world how, through hard work and commitment, industrial-level sustainability and social well-being are achievable.

The U.S. Cotton Trust Protocol sets ambitious goals for their growers and mills. Not only do they aim to recruit up to half of all U.S. growers by 2025, but they also plan to support their growers in slashing greenhouse gas emissions by 39 percent, soil loss by 50 percent, energy use by 15 percent, and water usage by 18 percent, all in the next four years.

Leading the world with the promise of a better tomorrow

The program's member U.S. Mills such as Buhler Corp., CAP Yarns, Carolina Cotton Works, Cotswold Industries, Contempora Fabrics, Frontier Yarns, Hamrick Mills, Keer America, Parkdale, and Swisstex Direct are taking the reins and demonstrating how U.S. Cotton, through the U.S. Cotton Trust Protocol, can revolutionize how business can be done and set sustainable and ethical standards that guarantee a better tomorrow for future generations.

At the same time, the U.S. Cotton Trust Protocol provides brands and retailers the critical assurances they need that the cotton fiber element in their products and supply chain is more sustainably grown with lower environmental and social risk.

It's because growing cotton isn't just about seeds and soil. Large-scale farming is the backbone of the American and global economy, and every worker involved in the process is priceless. The U.S. Cotton Trust Protocol also promotes and guarantees worker wellbeing in every step of the supply chain. In order to meet their sustainability goals, growers, manufacturers, and retailers must ensure their employees and each member of the supply chain are honored with fair wages and safe working conditions.

This pledge extends to the communities and natural environment where each cotton crop is grown, milled and processed. The U.S. Cotton Trust Protocol knows that the health and success of the industry depend on the people and communities that make it possible.

To ensure its pledged commitment, the U.S. Cotton Trust Protocol is overseen not only by industry experts but is composed of a multi-stakeholder board of directors that include independent sustainability authorities as well as representatives from brands, retailers, civil society and small-scale cooperatives, ginners, merchants, wholesalers, mills and cottonseed handlers.

The U.S. Cotton Trust Protocol is recognized by Textile Exchange, Forum for the Future, the Sustainable Apparel Coalition, Cotton 2025, the Sustainable Cotton Challenge, Cotton 2040 and Cotton Up initiatives.

Trust in a smarter cotton future, visit trustuscotton.org

Source: sourcingjournal.com– Dec 01, 2021

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UNCTAD: 2022 Global Trade Forecast ‘Very Uncertain’

Global trade growth remained strong during 2021, with the value of goods increasing during each quarter of the year, according to the United Nations Conference on Trade and Development’s (UNCTAD) “Global Trade Update” released Tuesday.

UNCTAD said the recovery has been more muted for trade in services, which remains below its levels of 2019.

Global trade growth was about 24 percent in the three months through September, on a year-over-year basis, significantly higher than pre-pandemic levels, with an increase of about 13 percent relative to the third quarter of 2019.

Valued at about $5.6 trillion, global trade in goods set a new all-time record in the period. Trade in goods is expected to remain constant in the fourth quarter.

Overall, 2021 is set to be a strong year for international trade. In 2021, the value of global trade in goods and services is expected to increase about $5.2 trillion relative to 2020 and up around $2.8 trillion relative to 2019, the equivalent of an increase of about 23 percent and 11 percent, respectively.

Trade in goods is projected to reach a record level of $22 trillion in 2021, while trade in services should be valued at an estimated $6 trillion in 2021, still slightly below its pre-pandemic level.

UNCTAD said the positive trend for international trade in 2021 was largely the result of the strong recovery in demand due to subsiding pandemic restrictions, economic stimulus packages and increases in commodity prices. However, the forecast for 2022 remains “very uncertain due to several factors.”

These include slowing economic recovery–the strong economic recovery of the first half of 2021 has slowed during the second half, for example. In particular, the economic growth of China in the third quarter was below expectations and lower than in previous quarters.

Rising commodity prices and inflationary pressures might also negatively affect economic prospects and international trade flows, according to the report. In addition, many economies, including those in the European Union, continue to face Covid-19 related disruptions. These disruptions may negatively affect consumer demand and ultimately be reflected in trade statistics for the upcoming quarters.

Another key factor is the disruptions of logistic networks and increases in shipping costs.

“The recovery of 2021 has been marked by large and unpredictable swings in demand, which have resulted in an increased stress on supply chains,” UNCTAD said. “Logistic disruptions and high fuel prices have further contributed to supply shortages and spiraling shipping costs. In particular, the backlogs across major supply chain hubs that have characterized most of 2021 could continue into 2022 and therefore negatively affect trade and reshape trade flows across the world.”

Also of concern is ongoing geopolitical tensions among some of the major economies, the report noted, which could result in renewed trade confrontations with repercussions for international trade flows. Moreover, the implementation of regional trade agreements, such as the African Continental Free Trade Area and the Regional Comprehensive Economic Partnership, is expected to influence global trade patterns.

Regional trade within Africa and within the Asia-Pacific area is expected to increase, but by diverting trade away from other routes, UNCTAD noted.

In addition, governments are becoming increasingly supportive of domestic socioeconomic and strategic goals that impact trade. For example, the report cited government policies that aim to disincentivize the trade of product varieties with high carbon content or of goods that are linked to the exploitation of labor or the environment.

“Many governments may become keener on supporting strategic goals such as those related to food security or the indigenous growth of particular industries,” UNCTAD said. “Such policies would affect international trade patterns.”

The third quarter saw a strong increase in trade in most economic sectors. The value of trade in energy-related products grew the most, buoyed by high demand and increase in the price of fossil fuels.

Trade growth was also above average in many of the commodity sectors including minerals and metals. On the other hand, trade in some of the sectors related to the pandemic was more muted.

In particular, growth in the trade of communication and office equipment was relatively low, as was the growth in the trade of textiles and apparel due to lower demand for personal protective equipment.

Source: sourcingjournal.com– Nov 30, 2021

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Factory activity in China rebounds following energy crunch ease

China's factory activity picked up in November following the easing of power shortages and a drop in raw material prices, according to National Bureau of Statistics (NBS) data, which showed the purchasing managers' index (PMI) for the manufacturing sector was 50.1 in November, up from 49.2 in October. A reading above 50 indicates expansion, while one below reflects contraction.

The rise came after the country's measures to ensure adequate energy supply and stabilise market prices started to work, NBS senior statistician Zhao Qinghe told an official news agency.

In November, the sub-index measuring purchase prices of major raw materials dropped by 19.2 percentage points from October to 52.9. The ex-factory price index fell to 48.9, down by 12.2 percentage points from last month.

The sub-index for production expanded 3.6 percentage points to 52, while that for new orders increased 0.6 percentage points to 49.4.

The figures showed that both production and market demand in the manufacturing sector were on an upturn last month, said Zhao.

The new export order and import sub-indexes edged up to 48.5 and 48.1 respectively.

Zhao attributed the upward trend in foreign trade to factors including the global economic recovery and the nearing Christmas season in overseas markets.

Large enterprises maintained steady operation this month, with their PMI standing at 50.2, roughly the same as last month. The PMI for medium and small enterprises came in at 51.2 and 48.5, respectively. The PMI for small enterprises edged up 1 percent, signifying a reduction of pressure.

Source: fibre2fashion.com– Dec 01, 2021

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Turkey's GDP rises by 7.4% YoY in Q3: TurkStat

Turkey's gross domestic product (GDP) rose by 7.4 per cent in the third quarter (Q3) of this year compared with the same period last year, according to the Turkish Statistical Institute (TurkStat), which recently announced that the total value of goods produced and services provided between July and September at current prices stood at 1.9 trillion Turkish liras ($225.5 billion).

The figure, however, was below the market forecast as a group of 18 economists polled by a news agency last week projected an average year-on-year (YoY) growth of 8.1 per cent in Q3.

Compared to Q2 this year, the GDP rose by 2.7 per cent in Q3. The Turkish economy grew by 21.7 per cent in Q2, the highest annual growth rate since 1999.

The economists also estimated that Turkey's annual GDP in 2021 would grow at 10 per cent on an average, the news agency reported.

The government projects Turkey’s economy to grow at 9 per cent this year under the medium-term economic programme for 2022-24.

Source: fibre2fashion.com– Dec 01, 2021

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Eurozone inflation rate hits record 4.9% in Nov

Eurozone inflation reached its highest rate on record in November due to high energy costs, likely peaking before a slow decline that will keep it high for much of the next year, according to Eurostat data that showed consumer price growth in the 19 countries sharing the euro accelerated to 4.9 per cent in the month, by far the highest level in 25 years.

The figure was up from 4.1 per cent a month earlier and well ahead of expectations of 4.5 per cent.

Energy prices were up 27 per cent compared with a year earlier as oil prices soared but inflation in services and non-energy industrial goods, a drag on price growth in past years, were both above 2 per cent, suggesting a rapid rise in underlying price pressures, according to a global newswire.

Although inflation is now more than twice the European Central Bank's (ECB) 2 per cent target, it is unlikely to trigger any policy action. ECB has long argued that the inflation surge is temporary, caused by a range of one-off factors, and will subside over time so policy action now would be counterproductive as it would thwart economic growth just when inflation eases on their own.

ECB’s next meeting is scheduled on December 16.

Source: fibre2fashion.com - Dec 01, 2021

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Reliance on imports hinders Vietnam's textile and garment industry

Weak support industries and the heavy reliance on material imports are the biggest obstacles for Vietnam's textile and garment industry development. It is necessary to make appropriate investments in supporting industries. Vietnam's enterprises are still doing outsourcing for foreign partners, with 65 per cent imported inputs.

Free trade agreements allows Vietnam enterprises to enjoy preferential tariffs and a competitive edge to enter member markets. The textile and garment sector is one of the industries enjoying the most benefits from these agreements.

However, the benefits only occur if Vietnam can satisfy rules of origin. Under the CPTPP (Comprehensive and Progressive Agreement for Trans-Pacific Partnership), for example, Vietnam's products must satisfy the yarn forward rule to be able to enjoy preferential tariffs. For EVFTA (EU-Vietnam Free Trade Agreement), it is the fabric forward rule.

This means that the yarn used to form the fabric and the fabric used to produce textile and garment products must originate from Vietnam or FTA member countries. However, Vietnam is weak at producing yarn and fabric and these input materials are mostly imports.

One way is to establish a timeline for developing weaving and dyeing industries. Another way is establishing textile and garment clusters, which not only comprise yarn, textile, dyeing and garment companies, but also downstream enterprises.

Source: fashionatingworld.com– Dec 01, 2021

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Vietnam apparel, footwear exports grows in November post lockdown

Vietnam's apparel and footwear exports in November 2021 jumped 18.5 per cent from last year, the most since May post opening up after lockdown, reveals Hanoi-based General Statistics Office. Coronavirus restrictions had led to the closing of many factories, particularly in the Southern industrial belt, that produce shoes and clothes for global brands such as Nike and Abercrombie & Fitch. The restrictions were lifted in early October. Plants have struggled to lure migrant workers, who returned to their home provinces amid the nation's worst outbreak, back to assembly lines.

Most workers are returning. However plants, with much of their workforce back, now worry three-week mandatory quarantines for vaccinated workers who test positive could affect orders for early 2022. Many Christmas orders remain unfulfilled. Business associations are now seeking a reduction in quarantine time. The pandemic is still complicated, with rising numbers of new virus patients in the community.

Current factory operation rules in Vietnam remain strict and very complicated, which could hinder employees' ability to return to work. Several factors weigh against expectations for a fast resumption in production activities. These include the likely persistence of labor shortages, rising raw material costs and supply chain disruptions in many other parts of Asia.

Source: fashionatingworld.com– Dec 01, 2021

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Jordan attracts Bangladesh apparel industry's labor

Jordan has become a top destination for skilled garment workers from Bangladesh, says a report by Arab News. Hundreds of Bangladeshi women find employment in Jordan's clothing sector every week. The Jordanian garment sector currently employs 40,000 Bangladeshi women.

In other Middle Eastern countries, Bangladeshi women work mostly as domestic helpers. This presents a good opportunity for Bangladeshi female migrants to earn more as a skilled workforce with much more dignity. All they need to have is some working experience in the local garment factories. And female migrants are very interested in taking the opportunity since it's an employer pay model, where the employer bears all costs to have the migrants' services.

The average monthly salary of Bangladeshi garment workers in Jordan is between $260 and $360 and all of them initially receive two-year contracts. Bangladesh started exporting skilled garment workers to Jordan in 2010. Jordan's garment industry has expanded rapidly in the past few years.

The demand for Bangladeshi labor has been on the rise since the lifting of coronavirus restrictions. In 2020, Jordan accepted only about 3700 garment workers from Bangladesh, but this year up to September 30 more than 12,300 had already left for the Middle Eastern country. Jordanian employers bear all the costs of processing working permits, travel, accommodation and healthcare.

Source: fashionatingworld.com– Dec 01, 2021

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Japanese retailers widen base in Vietnam

Japanese retailers have started expanding business in Vietnam as localities loosen social distancing restrictions and accelerate vaccination against Covid. Coffee chain Arabica, which currently has over 100 outlets in 18 countries, will open its first shop in Vietnam. Casual wear producer and retailer Uniqlo has opened a new store, its tenth outlet in Vietnam. In early November, it had inaugurated an online store in the country.

Beauty brand ReFa will open three stores late this year before expanding by mid-2022. Retail group Aeon plans to double the number of shopping malls across the country in the coming time. It also plans to list shares on the Vietnamese stock market, and facilitate export of Vietnamese seafood, garments and other products to Japan. Japanese firms are scaling up investment in Vietnam's textile and garment sector.

Japanese company Matsuoka produces casual apparel in Vietnam to be exported to Japan and China. Vietnam's total goods retail sales and service revenues in October 2021 rose 18.5 per cent over the previous month. The retail sector is expected to grow late this year, when vaccination is stepped up, more economic activities resume and many festivals take place. The sector's profit is expected to increase over 20 per cent this year.

Source: fashionatingworld.com– Dec 01, 2021

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Strategic partnerships can boost Bangladeshs PPE exports Study

Despite posing unprecedented challenges, COVID-19 also offered the Bangladesh textile and apparel industry new opportunities to produce and export technical textiles such as PPE, surgery gowns, masks, etc. As per a BGMEA study, in FY 2020-21, Bangladesh exported PPE products worth over $618 million. Export of textile face masks without a replaceable filter or mechanical parts, including surgical masks and disposable face masks of non-woven textiles, increased to $105 million in the FY 2020-21 from $22.52 million in FY 2019-20, as per the study.

Titled ‘Feasibility Study on Upscaling the Production of TT / PPE in Bangladesh,’ the BGMEA study was conducted in collaboration with the German Development Corporation and GFA. It predicts, the global market for technical textiles will grow on an average 4.2 per cent annually to $224.4 billion by 2025. By 2025-end, the market is estimated to reach $93 billion. Europe will emerge as the leading importer of medical textiles followed by North America. This will present Bangladesh with unprecedented opportunities to boost exports.

Step up investments in backward linkages

PPEs and technical textile-based products do not form Bangladesh’s traditional exports. Hence, the country needs to develop its technical abilities to cater to this demand. It needs to step up investments in backward linkages besides entering into new collaborations and joint ventures to ensure uninterrupted supply of raw materials.

The BGMEA study guides manufacturers on ways to strategically plan future investments. It proves to be a valuable resource for industry associations, financial institutions, private companies, training and support service providers, investors both in-country and overseas, as well as government agencies.

Redefine operational paradigms

The study states, Bangladesh manufacturers planning to enter the TT/PPE market need to reorganize operations. They need to repriortize their objectives and redefine current operational paradigms. For this, they need to expand into the EU and US markets and build their reputation as a compliant and certified trading partner. Once Bangladesh builds its reputation, it can gradually introduce advanced and sophisticated products that offer greater profit margins to manufacturers. This will encourage more companies to foray into this subsector

Collaborations to boost market share Also, Bangladesh needs to combine infrastructure with new investments to compete effectively in technical textiles and PPE market. It needs to link technical textiles manufacturing with the traditional textile industry by making minor modifications in the knitting and weaving machinery.

The future of the Bangladesh TT/PPE sector lies in synergies and collaboration across the entire value chain. The industry needs to collaborate closely with scientists for new product innovation. However, most apparel factories are either reluctant to invest in R&D with long-term returns or lack sufficient resources to do so in a meaningful manner.

This proposed sectoral development strategy will help integrate the key partners into the TT/PPE supply chain in a practical and organized fashion. The industry needs to seek out the necessary strategic partners as it attempts to capture its share in the TT/PPE market.

Source: fashionatingworld.com– Dec 01, 2021

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NATIONAL NEWS

INDIA'S MERCHANDISE TRADE: Preliminary Data November 2021

India's merchandise imports in November 2021 was USD 53.15 billion, an increase of 57.18% over USD 33.81 billion in November 2020 and an increase of 37.96% over USD 38.52billion in November 2019.

India's merchandise imports in April-November 2021 was USD 384.44 billion, an increase of 75.39% over USD 219.19 billion in April-November 2020 and an increase of 18.44% over USD 324.59 billion in April-November 2019.

Statement 7: Exports of Top 10 Major Commodity Groups				
	Value of Export (Million US$)		Share (%)	Growth (%)
Major Commodity Group	**Nov '21**	**Nov '20**	**Nov '21**	**Nov '21 over Nov '20**
Engineering Goods	8077.32	5896.67	27.04	36.98
Petroleum Products	3820.03	1557.36	12.79	145.29
Gems and Jewellery	2392.20	2690.83	8.01	-11.10
Organic and Inorganic Chemicals	2246.50	1694.92	7.52	32.54
Drugs and Pharmaceuticals	1825.36	1963.40	6.11	-7.03
Electronic Goods	1455.58	1121.17	4.87	29.83
Cotton Yarn/Fabrics/Made-ups, Handloom Products Etc.	**1227.83**	**872.55**	**4.11**	**40.72**
RMG Of All Textiles	**1072.17**	**1043.75**	**3.59**	**2.72**
Marine Products	753.99	586.64	2.52	28.53
Plastic and Linoleum	724.35	507.25	2.42	42.80
Total of 10 Major Commodity Groups	**23595.35**	**17934.54**	**78.98**	**31.56**
Rest	6280.75	5685.40	21.02	10.47
Total Exports	**29876.11**	**23619.95**	**100.00**	**26.49**

The trade deficit in November 2021 was USD 23.27 billion, while it was121.98 billion USD during April-November 2021.

Value of non-petroleum exports in November 2021 was 26.06USD billion, registering a positive growth of 18.1% over non-petroleum exports of USD 22.06 billion in November 2020 and a positive growth of 18.69% over non-petroleum exports of USD 21.95 billion in November 2019.

Value of non-petroleum imports was USD 38.47 billion in November 2021 with a positive growth of 39.9% over non-petroleum imports of USD 27.5 billion in November 2020 and a positive growth of 40.12% over non-petroleum imports of USD 27.45 billion in November 2019.

The cumulative value of non-petroleum exports in April-November 2021 was USD 225.46 billion, an increase of 41.78% over USD 159.03 billion in April-November 2020 and an increase of 23.44% over USD 182.66 billion in April-November 2019.

The cumulative value of non-petroleum imports in April-November 2021 was USD 282.36 billion, showing an increase of 61.4% compared to non-oil imports of USD 174.94 billion in April-November 2020 and an increase of 18.34% compared to non-oil imports of USD 238.6 billion in April-November 2019.

Value of non-petroleum and non-gems and jewellery exports in November 2021 was USD 23.66 billion, registering a positive growth of 22.16% over non-petroleum and non-gems and jewellery exports of USD 19.37 billion in November 2020 and a positive growth of 22.17% over non-petroleum and non-gems and jewellery exports of USD 19.37 billion in November 2019.

Value of non-oil, non-GJ (gold, silver & Precious metals) imports was USD 32.02 billion in November 2021 with a positive growth of 41.53%over non-oil and non-GJ imports of USD 22.63 billion in November 2020and apositivegrowth of 42.72% over non-oil and non-GJ imports of USD 22.44 billion in November 2019.

The cumulative value of non-petroleum and non-gems and jewellery exports in April-November 2021 was USD 199.56 billion, an increase of 37.89% over cumulative value of non-petroleum and non-gems and jewellery exports of USD 144.72 billion in April-November 2020 and an increase of 27.03% over cumulative value of non-petroleum and non-gems and jewellery exports of USD 157.09 billion in April-November 2019.

Click here for more details

Source: pib.gov.in- Dec 01, 2021

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Mega Integrated Textile Region and Apparel (PM MITRA) Parks to attract investment, boost employment generation

With a view to attract investment, boost employment generation and position itself strongly in the global textile market, the Government has approved setting up of 7 (Seven) PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks in Greenfield/Brownfield sites including plug and play facility with an outlay of Rs. 4445 cr for a period of seven years upto 2027-28.

The salient features are:- (i) Willing state governments to have ready availability of contiguous and encumbrance-free land parcel of 1000+ acres for being eligible.

(ii) It is envisaged to be on Public Private Partnership (PPP) mode.

(iii) there is a provision of Development Capital Support (DCS) @30% of the project cost with a maximum support of ₹ 500 Cr and ₹200 Crore per park for Greenfield and Brownfield PM MITRA Park respectively. The DCS is for creation of Core Infrastructure.

(iv) There is provision of Rs. 300 Cr. per park for incentivizing the industries to set up their units in the park. There is a provision to use 10% of the park's area for Commercial Development (CD) and revenue stream from CD may help maintenance of common assets and facilities.

The selection of sites will be by way of challenge method with weightage of parameters for examples connectivity, power infrastructure, water and waste water disposal system, Industry Friendly labour laws, Single Window Clearances, Stable and Conducive industrial/textile policy of the state. States like Tamil Nadu, Punjab, Odisha, Andhra Pradesh, Gujarat, Rajasthan, Assam, Karnataka, Madhya Pradesh and Telangana have expressed interest so far.

Government of India is implementing the Scheme for Integrated Textile Park (SITP) which provides support for creation of world-class infrastructure facilities for setting up of textile units. Government grant upto Rs. 40.00 crores per park is released in instalments, subject to the progress achieved in creation of infrastructure and common facilities.

Out of 56 Textile Parks approved/ sanctioned, 24 parks have been completed as per scheme guidelines. In these parks, a total of 1757 units are operational, and Rs.12470 crs(approx) of investment have been mobilized and have generated 95644 employment till date.

This information was given by Minister of State for Textiles Smt. Darshana Jardosh in a written reply in the Lok Sabha today.

Source: pib.gov.in- Dec 01, 2021

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Reform the WTO, do not deform it

The world trade body must not become an instrument to promote developed nations' interests

Despite the 12th Ministerial Conference of the WTO (MC12) having been postponed, the developed countries are likely to push ahead for launching an ambitious work plan for reforming the WTO. While the reform agenda has multiple dimensions, suggestions for amending the institutional architecture of the WTO could have far-reaching implications.

Although not much is known about what is happening on WTO reforms behind the closed doors of the WTO, two detailed documents of the European Union are in public domain — EU's 2018 concept paper on WTO modernisation and a recent document in 2021 titled 'Reforming the WTO: Towards a sustainable and effective multilateral trading system'.

These provide pointers to what to expect from the developed countries on this issue. The US has also thrown its weight behind WTO reform, although it is actually a part of the collective problem confronting the WTO members on issues related to the dispute settlement function of the WTO.

The EU's agenda

What are the goals of the developed countries, particularly the EU, in WTO institutional reform?

One, with the ostensible objective of revitalising the negotiating function of the WTO, the EU has identified WTO's tradition of decision making by consensus as a huge challenge in negotiations among 164 members. It is also pushing for creating a flexible approach whereby agreements reached among a limited number of WTO members — technically called plurilateral agreements — can be integrated into the rulebook even without the endorsement of the entire membership, as required under the existing rules.

Two, the EU aims to make fundamental changes to the mandate and functioning of WTO committees, supposedly for improving their effectiveness. With this objective in mind, it has proposed that the WTO rulebook could be incrementally updated through work in the committees.

It also attempts to allow the committees to have a "deliberating function", which would permit issues outside the WTO rulebook to be discussed, even without a mandate from the entire membership. Further, it is of the view that some committees should be downsized and resources diverted to other committees.

Three, the EU desires to change the member-driven character of the WTO. Its objective is to expand the role of the WTO Secretariat in different aspects and making it a more active player, including in negotiations. In addition, it appears to be creating the ground for providing a formal role for businesses and private sector in WTO processes, through a consultative or advisory committee. Finally, the EU wishes to deepen cooperation with other international organisations, even without any mandate from the membership.

Four, with the objective of promoting transparency, the EU has proposed sanctions for wilful and repeated non-compliance with notification obligations. Punitive actions for violation of notification obligations include naming and shaming of the defaulting country and limiting rights of the defaulting member to participate in WTO proceedings.

Five, the EU proposes a new approach to special and differential treatment of developing countries — a fundamental principle of the multilateral trading system, whereby developed countries do not expect full reciprocity in trade negotiations from developing countries. The EU has proposed that countries that meet any of the following criteria should take full commitments: OECD membership, country classified as 'high income', and countries with a sufficiently high share of global exports.

Developing nations beware

What could be some of the likely implications of the proposals seeking institutional changes in the WTO, as mentioned above, for developing countries, including India?

In the name of institutional reform, the developed countries are seeking to acquire almost unfettered rights to decide the issues on which to initiate negotiations and conclude final deals, thereby further marginalising the voice and role of developing countries. In the absence of decision-making by consensus, developing countries would find it well neigh impossible to pursue issues of their interest in the negotiations.

Further, negotiations in technical committees, without political inputs, run the risk of proposals of developing countries getting impeded by legal web that could be spun by the developed countries. Downsizing some of the committees could curtail the institutional avenues available to developing countries for articulating issues of their interest.

Developing countries already grapple with formidable odds and power asymmetry at the WTO. Active involvement of business interests of the developed countries in WTO processes and expanding the role of the WTO Secretariat would further deepen the power asymmetry between the developed and developing countries.

At a time when countries such as India and Brazil are fighting hard to reform the UN Security Council to make it more legitimate, effective and representative, attempts are being made by the developed countries to take another international institution — the WTO — in the opposite direction.

Overall, the vision of the developed countries would make the WTO an instrument for unabashedly promoting their commercial interests, without any meaningful concern for the interests of the developing countries, who constitute the large majority of its membership.

Such an outcome would not bode well for survival of the multilateral trading regime. The process of WTO reform must keep development at its core, promote inclusive growth, and fully take into account the interests and concerns of developing countries.

Source: thehindubusinessline.com- Dec 01, 2021

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PLI SCHEME

Keeping in view India's vision of becoming '**Atmanirbhar**' and to enhance India's Manufacturing capabilities and Exports, an outlay of **INR 1.97 lakh crore** (US$ 26 billion) has been announced in **Union Budget 2021-22** for PLI schemes for **13 key sectors** of manufacturing starting from fiscal year **(FY) 2021-22.**

The **13 key sectors** include already **existing 3 sectors** namely (i) Mobile Manufacturing and Specified Electronic Components, (ii) Critical Key Starting materials/Drug Intermediaries & Active Pharmaceutical Ingredients, (iii) Manufacturing of Medical Devices and **10 new key sectors** which have been approved by the Union Cabinet in November 2020. These **10 key sectors** are:

(i) Automobiles and Auto Components, (ii) Pharmaceuticals Drugs, (iii) Specialty Steel, (iv) Telecom & Networking Products, (v) Electronic/Technology Products, (vi) White Goods (ACs and LEDs), (vii) Food Products, (viii) Textile Products: MMF segment and technical textiles, (ix) High efficiency solar PV modules, and (x) Advanced Chemistry Cell (ACC) Battery.

PLI Scheme for an **additional sector**, Drones and Drone Components, has also been approved by the Union Cabinet in September 2021. With the announcement of PLI Schemes, significant creation of **production**, **employment**, and **economic growth**is expected over the next 5 years and more.

The PLI schemes are being implemented by the concerned Ministries/ Departments. A statement on details received from concerned Ministries/Departments regarding investment made by various sectors after 1st April, 2021, to avail Production Linked Incentive (PLI) scheme is placed in the table below:

Sl. no.	**Implementing Ministry/ Department**	**Sector**	**Investment received after 01.04.2021** (In INR crore)
		Existing PLI Scheme	
i	Ministry of Electronics and Information	Mobile Manufacturing and Specified Electronic Components (Large Scale Electronics Manufacturing)	The investment made by the companies approved under the Product Linked Incentive Scheme (PLI)

	Technology (MeitY)		for Large Scale Electronics Manufacturing after 01.04.2020 is approximately INR 3,000 crore.
ii	Department of Pharmaceuticals	Critical Key Starting materials/Drug Intermediaries & Active Pharmaceutical Ingredients	Under the Scheme, 42 applications have been approved with a total Committee Investment of Rs.4347.26 crore.
iii	Department of Pharmaceuticals	Manufacturing of Medical Devices	Under the Scheme, 13 applications have been approved with a total Committed Investment of Rs.798.93 crore.
	Newly Announced PLI Scheme		
i	Department of Heavy Industries	Advanced Chemistry Cell (ACC) Battery	Bidding process for selection of bidders/ investors is underway
ii	Ministry of Electronics and Information Technology (MeitY)	Electronic/ Technology Products (IT Hardware)	The investment made by the companies approved under the Production Linked Incentive Scheme(PLI) for IT Hardware after 01.04.2021 is approximately INR 17 crore.
iii	Department of Heavy Industries	Automobiles and Auto Components	Window for notice inviting applications is opened for 60 days from 11th November, 2021 to 9th January, 2022
iv	Department of Pharmaceuticals	Pharmaceuticals Drugs	278 applications received which will be finalized by the end of November 2021.
v	Department of Telecom	Telecom & Networking Products	Investment made under PLI Scheme to promote Telecom and Networking Products Manufacturing in India up to September, 2021 is Rs.182.8 crores.
vi	Ministry of Textiles	Textile Products: MMF segment and technical textiles	The scheme guidelines are under finalization.
vii	Ministry of Food Processing Industries	Food Products	Applicants for coverage are under finalization.

viii	Ministry of New and Renewable Energy	High efficiency solar PV modules	Letters of award have been issued to the extent of fund allotted. Details of investment are awaited.
ix	Department for Promotion of Industry and Internal Trade (DPIIT)	White Goods (ACs and LEDs)	42 applicants with indicative investment of Rs. 4,614 crore have been selected as beneficiaries under the PLI Scheme as on 03.11.2021.
x	Ministry of Steel	Specialty Steel	Detailed Scheme guidelines have been published on 20.10.2021 for operationalization of the Scheme.

(Source: Concerned implementing Ministries/ Departments)

There is no plan to relax Production Linked Incentive Scheme for White Goods.

This information was given by the Minister of State in the Ministry of Commerce and Industry, Shri Som Parkash, in a written reply in the Lok Sabha today

Source: pib.gov.in- Dec 01, 2021

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Packaging norms provide for 100% of the total production of food grains and 20% of the total production of sugar for packaging in Jute packaging material

The Cabinet Committee on Economic Affairs in its meeting held on 10.11.2021 has approved minimum percentage as 100% of the total production of food grains and 20% of the total production of sugar for packaging in Jute packaging material manufactured in India from raw jute produced in India during Jute Year 2021-22.

The details of quantity / cost of jute sacking bags procured by the Government for packing food grains during the last three years are as below:

Financial Year	Quantity of jute bags (Bales)	Cost of jute bags (Rs. in Crore)
2018-19	29,61,688	7,529.44
2019-20	34,75,004	9,664.58
2020-21	25,08,572	7,889.48

To ensure the complete off-take of sacking production of the jute bags in order to protect the interest of jute farmers, workers and person engaged in the industry, the Government announces MSP for raw jute and mesta every year. Also, the Government has imposed Anti-Dumping Duty w.e.f. 05.01.2017 on the import of jute products.

This information was given by The Minister of State for Textiles Smt. Darshana Jardosh in a written reply in the Lok Sabha today.

Source: pib.gov.in- Dec 01, 2021

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Foreign Investment

The details of foreign investment reported through routes of Foreign Direct Investment (FDI) inflow and Foreign Portfolio Investment (FPI) inflows (net) during the last five financial years are as under:

S. No.	Financial Year	Total FDI Inflow (amount in US$ million)	FPI inflows (net) (amount in US$ million)
1.	2016-17	60,220	7,735
2.	2017-18	60,974	22,165
3.	2018-19	62,001	(-) 2,225
4.	2019-20	74,390	552
5.	2020-21	81,973	38,725

Source: Reserve Bank of India.

As shown in table above, despite COVID-19 pandemic, the country has shown growth both in FDI inflow and FPI inflows (net) during Financial Year 2020-21 as compared to previous Financial Year 2019-20.

This information was given by the Minister of State in the Ministry of Commerce and Industry, Shri Som Parkash, in a written reply in the Lok Sabha today.

Source: pib.gov.in- Dec 01, 2021

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Representation on interest equalisation scheme forwarded to finance ministry: Textile minister

The textiles ministry has received representation regarding interest equalisation scheme and that has been forwarded to the finance ministry for appropriate action, Parliament was informed on Wednesday.

Minister of State for Textiles Darshana Jardosh in a written reply to the Lok Sabha said regular meetings are held between Department of Commerce with her ministry to analyze the export trend of the textile sector and discuss the strategy to achieve the exports targets.

"The representation received with reference to interest equalisation scheme has been forwarded to the Ministry of Finance for appropriate action," she said.

Source: economictimes.indiatimes.com- Dec 01, 2021

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DUES TO EXPORTERS

Government has released Rs 56,027 crore in order to clear pending export incentive dues to exporters, which is for various Schemes namely: Merchandise Exports from India Scheme (MEIS) - Rs 33,010 crore, Service Exports from India Scheme (SEIS) - Rs 10,002 crore, Rebate of State and Central Taxes and Levies (RoSCTL) - Rs 5,286 crore, Rebate of State Levies (RoSL) - Rs 330 crore, Remission of Duties and Taxes on Exported Products (RoDTEP) - Rs 2,568 crore and other legacy Schemes like Target Plus Scheme (TPS), Focus Product Scheme (FPS) etc. - Rs 4,831 crore. This includes support for exports made under RoDTEP and RoSCTL Schemes during the 4th quarter of FY 2020-21. It is estimated that such benefits would be disbursed to more than 45,000 exporters, out of which around 98% may fall in the Micro, Small and Medium Enterprises (MSME) category.

Clearance of dues under these Schemes is dependent on meeting the eligibility criteria by the applicant exporter, whose applications are scrutinized for any deficiency. The process of approval of complete applications under these Schemes varies. In certain Schemes, such as MEIS, ROSCTL and ROSL, online applications are largely system approved, whereas for SEIS, TPS, FPS online applications require manual scrutiny and examination of documents. Accordingly the detail of exporters' dues state-wise is not maintained.

To reach the target, some of the key schemes/interventions taken by the Government are:

- The Foreign Trade Policy 2015-20 has been extended upto 31.03.2022 to provide a stable regime during the COVID-19 pandemic, wherein Schemes such as the Advance Authorization Scheme and the Export Promotion Capital Goods (EPCG) Scheme are being implemented to enable duty free import of raw materials and capital goods for export production.
- Remission of Duties and Taxes on Exported Products (RoDTEP) Scheme has been introduced with a budget of Rs 12,454 crore for FY 2021-22.

- Rebate of State and Central Levies and Taxes (RoSCTL) Scheme for apparel and made-up exports has been extended till March 2024 with existing rates.

- Transport and Marketing Assistance (TMA) scheme for specified agriculture products is being implemented to provide assistance for the international component of freight and marketing of agricultural produce and to promote brand recognition for Indian agricultural products in the specified overseas markets.

- A common digital platform for Certificate of Origin (CoO) has been launched to increase Free Trade Agreement (FTA) utilization by exporters.

- Monthly monitoring of exports for 200 countries and 31 commodity groups is being done.

- Under the aegis of "AzadiKaAmritMahotsav", VanijyaSaptah was celebrated during 21-26th September 2021 to reach out to members of industry, exporters, association and State/Union Territory Governments for awareness and interaction on exports and various export related issues.

- In order to leverage full export potential, districts are being promoted as Exports Hubs by identifying products and services with export potential of each district.

- Exports of services is being supported through negotiating meaningful market access through multilateral, regional and bilateral trade agreements and through participation in and organization of international fairs/exhibitions like the Global Exhibition on Services.

- An 'Action Plan for Champion Sectors in Services' to give focused attention to identified Champion Services Sectors through identified nodal Ministries/Departments is also in place.

- Assistance is being extended to exporters under the Market Access Initiative (MAI) scheme for various activities such as export market research, product development, product registration, organizing / participating in fairs, exhibitions and Buyer Seller Meets (BSMs) abroad, Reverse Buyer Seller Meets etc.

- In order to have a coordinated and focused attention on development of export infrastructure, a working group on infrastructure up-gradation has been constituted under National Committee on Trade Facilitation (NCTF) and a National Trade Facilitation Action Plan (NTFAP) has been formulated. This includes measures for improving road and rail connectivity to ports and smart gates at sea ports.

This information was given by the Minister of State in the Ministry of Commerce and Industry, Smt. Anupriya Patel, in a written reply in the Lok Sabha today.

Source: pib.gov.in- Dec 01, 2021

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Cotton prices to soften as arrivals set to increase, says CAI

Cotton prices in India are expected to soften from their peak levels of around ₹8,000-8,800 a quintal (raw cotton) as the arrivals gain momentum, stated the chief of the top cotton body Cotton Association of India (CAI).

Acknowledging that the cotton arrivals in India have been delayed partly due to the unseasonal rains and other factors, Atul Ganatra, President, CAI, stated that "cotton prices in India will fall once the arrivals pick up."

Addressing the 99th Annual General Meeting of the trade body on November 30, Ganatra expressed no need for restrictive measures to tame the spiralling prices, which have crossed ₹8,000 per quintal in several markets.

"It does not require implementation of any restrictive measures to tame the cotton prices against the long- term interest of the entire cotton value chain including farmers," Ganatra said adding that better realisations for cotton growers will encourage them to bring larger area into cotton next year.

Regarding Indian cotton's competitiveness in the international market, Ganatra stated that it is traditionally traded at a discount in the international markets compared with other competing countries. "Imposition of duty and other retrograde measures, when implemented, send a wrong signal and raise questions about the credibility of the whole country as a regular cotton supplier to the international market, thus playing a very vital role in attracting discounts," he said.

India's top cotton body, CAI celebrated its centenary year in 2021 from its incorporation on October 19, 1921. Giving a highlight of the past 100 years of India's cotton sector, Ganatra stated that even though India lost most of the cotton-growing areas to Pakistan after Partition of India in 1947 and "reduced to a chronic importer of cotton", but with giant stride taken by the Indian cotton sector has now made it a cotton supplier to the world.

"Although farmers have a protection in Minimum Support Price, yet they deserve an opportunity to earn international prices like their counterparts in USA, Australia, Brazil and other developed countries. Therefore, at CAI we, believe in a free trade policy without any fetters," Ganatra said.

India enjoys a competitive advantage globally with its cheaper cotton prices. "Although Indian cotton prices have risen by about 58% during the last one year due to the strong fundamentals, yet they are still the cheapest in the world," Ganatra said, adding that the comparable price rise in the international market as reflected in the Cotlook A index is much higher at 63%.

Processed ginned cotton in India was quoted at ₹64,500 per candy (356 kg) on November 30, up from ₹57,000 quoted at the beginning of the season on October 1, 2021.

Source: thehindubusinessline.com- Dec 01, 2021

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India-China trade deficit stands at USD 30 bn during April-September

Schemes like the production-linked incentive scheme will help promote domestic manufacturing capacities and attract investment and reduce dependency on imports from China, the minister said. Trade deficit between India and China stood at USD 30.07 billion during April-September 2021, Parliament was informed on Wednesday.

India's exports to China during the April-September 2021 period was USD 12.26 billion, while imports were aggregated at USD 42.33 billion, according to data given by Minister of State for Commerce and Industry Anupriya Patel in a written reply to the Lok Sabha.

She said the imports from China have increased from USD 60.41 billion in 2014-15 to USD 65.21 billion in 2020-21, exhibiting an increase of 7.94 per cent over six years.

However, the imports were static between 2019-20 and 2020-21, she said. "The government has made sustained efforts to achieve a more balanced trade with China, including bilateral engagements to address the non-tariff barriers on Indian exports to China," Patel said.

Schemes like the production-linked incentive scheme will help promote domestic manufacturing capacities and attract investment and reduce dependency on imports from China, the minister said.

Major items of import from China include telecom instruments, computer hardware, fertiliser, electronic components, chemicals and drug intermediates.

Source: financialexpress.com- Dec 01, 2021

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GST collection crossed ₹1.30 lakh cr in November, second highest ever

GST revenues in line with economic recovery, says Finance Ministry

Finance Ministry on Wednesday reported gross GST revenue collection in the month of November exceeding over ₹1.31 lakh crore. This is the second successive month of over ₹1.30 lakh crore collection and it shows economic recovery.

The GST revenues for the month of November are 25 per cent higher than the same month last year and 27 per cent over 2019-20. During the month, revenues from import of goods were 43 per cent higher and the revenues from domestic transaction (including import of services) are 20 per cent higher than the revenues from these sources during the same month last year.

Second highest

The GST revenues for November has been the second highest ever since the introduction of GST, second only to that in April 2021, which related to year-end revenues and higher than last month's collection, which also included the impact of returns required to be filed quarterly. "This is very much in line with the trend in economic recovery," a statement issued by the Finance Ministry said.

MS Mani, Partner, Deloitte India said that the GST collection figures tie up with the economic growth figures reported recently and indicate that the collections have now stabilised at a level which will enable surpassing the GST revenue targets for FY22.

There has been a significant increase in the GST surveillance activities in recent times based on the data available with the GSTN, these would have also contributed to the increased collections, over and above the economic growth, which is the key driver of GST collections

"The increase in collections across major States ranging from 18-30 per cent plus points to an economic revival across States, accompanied by an increase in collections from import of goods," Mani said.

'Improved compliance'

Vivek Jalan, Partner with Tax Connect Advisory Services attributed the spurt in GST collection to DGARM, which is the Data Analytics wing of the GST Council. Further changes in the GST machinery provisions such as blocking of GSTR-1 and waybills when even one GST return is not filed within time, suspending/cancellation of GST Number when there is a mismatch between GST Returns, blocking of Input Tax Credit of taxpayers where there is a 'reason to believe' that some suspicious activity is taking place, have ensured that compliance under GST by the taxpayers have improved and with that the GST collection has also received a push.

Increase in GST rates of textiles, Solar Panels, footwear, job work in Alcohol Industry, packaging materials, including various circulars on supplies like mining, ice-creams clarifying that higher GST rates are applicable, have paved the way for consistently increased GST Collections going forward too." The above, coupled with the GST Department's inspections, summons, audits and assessments across the country seem to be a clear indication to Trade and Industry that robust compliance is the way ahead under GST," he said.

Source: thehindubusinessline.com- Dec 01, 2021

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India wary as US drags labour issues into trade talks

Labour issues may emerge as a tricky area for India in its efforts to further trade ties with the US as the Joe Biden government is keen to make "worker-centric" matters part of the bilateral trade discussions.

New Delhi put up a strong resistance to the proposal of bringing labour into mainstream trade discussions during US Trade Representative Katherine Tai's recent visit, but the US wants to pursue the matter further in future talks, a source tracking the matter told BusinessLine. "If labour is discussed on a different platform, it would mean cooperation. But if discussed on a trade platform, it may lead to trade barriers," the source said.

Both environment and labour are big items on the agenda of the Biden government as Americans feel that their businesses will get a level playing field when labour and environment issues are addressed, he added.

Tai, in one of her addresses in New Delhi, had pointed out that she and the US President were convinced that the US trade policy required a fundamental shift to ensure that policies and actions were focussed on the impact that trade and trade agreements had on real, working people.

"Part of that means engaging in new ways with you all, and my Indian government colleagues, to connect trade more directly to working people," she said, adding that the approach of the governments should be worker-centric.

Industry concerned

he Indian industry is wary of linking labour issues with trade as co-operation in the area of curbing child labour has already made life difficult for some sectors such as granite, leather and carpet.

"Due to a handful of unscrupulous players employing child labour, the entire industry suffered.

In several cases even after concrete action was taken by the government to address the problem, the action against the sector continued as getting de-listed after being identified as an offender is so difficult," the source added.

Mexico experience

If labour issues are linked to trade, it could take the form of non-trade barriers such as imposition of regulations on minimum wages and working hours and trade restrictions if those are not fulfilled, he added.

“In the trade agreement that the US has with Mexico, it has made the country take commitment on minimum wage rates. This may either drive investments away from the country or force the industry to create fake records. India does not want to be in such a situation,” the source said.

At the meeting of the India-US Trade Policy Forum, while there was no decision on making a separate working group on labour and environment, the US mentioned both issues in the list of areas for further bilateral cooperation.

“The Trump government did not care much about labour or environment. So, they did not focus on these issues with India. But the situation is different now and has to be suitably tackled,” the source said.

Source: thehindubusinessline.com- Dec 01, 2021

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PMI manufacturing further climbs to 57.6 in Nov; strongest growth in 10 months

The manufacturing sector continued to improve as the Purchasing Managers' Index (PMI) moved up to 57.6 in November as against 55.9 in October. The good thing is that new job opportunities have been created.

"It signalled the strongest improvement in the health of the sector for ten months. Moreover, the headline figure was well above its long-run average of 53.6," IHS Markit said in its report on PMI. Manufacturing has a share of over 14 per cent in Gross Value Added (GVA) and is considered as a source of job multiplier. PMI is one of the high-frequency indicators showing how the economy is performing.

Favourable aspects

Commenting on the latest survey results, Pollyanna De Lima, Economics Associate Director at IHS Markit, said the Indian manufacturing industry continued to expand in November, with growth gathering pace and forward-looking indices generally pointing to further improvements in the months to come.

The fact that firms purchased additional inputs at a stronger rate amid efforts to restock, combined with recurring declines in inventories of finished goods and tentative signs of a pick-up in hiring activity, indicates that the production volumes will likely expand further in the near term.

"The key threat to the outlook, in addition to potential new waves of Covid-19, is inflationary pressures. For now, companies are absorbing most of the additional cost burdens and lifting output charges only moderately.

Should raw material scarcity and shipping issues continue to feed through to the purchasing prices, substantial increases in output charges could be seen and demand resilience would be tested," she said.

Further, she added, businesses were indeed worried that inflationary pressures could hamper demand and production in the year ahead, as signalled by confidence weakening to the lowest in almost a year-and-a-half. Hiring, as against job shedding earlier

PMI is based on responses to questionnaires sent to purchasing managers in a panel of around 400 manufacturers. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The headline PMI is a weighted average of the following five indices: new orders (30 per cent), output (25 per cent), employment (20 per cent), suppliers' delivery times (15 per cent) and stocks of purchases (10 per cent).

The report accompanying PMI said that the Indian manufacturing sector continued to expand strongly in November, as an accelerated rise in sales supported the fastest upturn in production for nine months.

Companies scaled up input buying which, in turn, led to the second-quickest accumulation in stocks of purchases since data collection started nearly 17 years ago. Also, "there were tentative signs of an improvement in hiring activity, following three successive months of job shedding," the report said. On the price front, the latest results showed that cost inflationary pressures remained intense amid transportation issues and difficulties among suppliers to source raw materials. Input prices increased at a rate that was broadly similar to October's 92-month high.

Source: thehindubusinessline.com- Dec 01, 2021

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e-COMMERCE SALES

As per National Association of Software & Services Companies (NASSCOM), India's e-Commerce market has grown at Year on Year rate of 5 percent with estimated revenue of USD 56.6 billion in FY2021.

No data regarding total estimated revenue through e-Commerce sector or number of jobs created in the e-Commerce sector is maintained.

This information was given by the Minister of State in the Ministry of Commerce and Industry, Shri SomParkash, in a written reply in the Lok Sabha today.

Source: pib.gov.in- Dec 01, 2021

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Rajasthan government signs 125 MoUs for Rs 69k-crore projects; receives LoIs for over Rs 10k-crore investments

The Rajasthan government has signed multiple memorandum of understandings (MoUs) attracting proposed investments worth around Rs 69,000 crore, Rajasthan Industries Minister Shakuntala Rawat said on Wednesday.

Besides, various investors have submitted letters of intent (LoIs) for investments totaling worth Rs 10,099 crore, she said speaking at the Invest Rajasthan Roadshow-Exploring Investment Opportunities in Rajasthan here.

A total of 145 MoUs and LoIs worth over Rs 79,000 crore have been signed, the minister said at the event organised by the Rajasthan government in partnership with the Confederation of Indian Industry (CII) to showcase the business and growth opportunities present in the state.

Many big companies are already present in the state and running their businesses in various sectors, Rawat said and urged the investors to invest in Rajasthan where the government is giving subsidies on setting up new businesses.

Rajasthan Additional Chief Secretary Shubhra Singh said the investors can explore the potential in sectors like renewable energy, textile, cement, ceramic, paints, auto, electrical equipment, medical equipment, consumer goods, refinery and mining.

"Our state is doing good in these sectors. The government offers full support to those looking to invest in the state.

"Investors can interact themselves with industry players and experience how they are doing in the state," she said, inviting them to the Invest Rajasthan event scheduled for January 24 and 25, 2022, in Jaipur.

About 125 companies have signed MoUs on Wednesday, and already own land for their proposed projects, while 20 have submitted LoIs for their projects and are looking for land options, the official told PTI while replying to a question as to by when the agreements signed are expected to translate into actual investments.

According to a document shared by a state government official, solar firm ReNew Power, cement companies J K Cement and J K Lakshmi Cement, omni-channel eyewear retailer Lenskart and Sports Goods Export Promotion Council, ALP Polymer, ASK Automobile and Jindal Aluminium Ltd are among those who have signed the MoU with the Rajasthan government with an intention to invest in the state.

Source: zeebiz.com- Dec 01, 2021

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Sangam India to invest ₹137 crore to expand manufacturing capacity

Project to be funded by term loan and internal accruals

Sangam India, a leading producer of PV dyed yarn and seamless apparel, will invest ₹137 crore to expand manufacturing capacity and allied infrastructure at its plant in Bhilwara, Rajasthan.

The project will be funded partly by term loan of ₹102 crore and remaining ₹35 crore will be sourced from internal accruals. The expansion programme will result in installation of 32,832 spindles and six knitting machines for manufacturing of cotton yarn and knitted fabric. It will enhance the cotton yarn business by 47 per cent and knitted fabric business by 28 per cent.

The planned manufacturing expansion is expected to witness an increase in revenue potential by 15 per cent in the next two fiscal.

S Modani, Managing Director, Sangam India, said despite two unprecedented and challenging years of pandemic, the company's revenue increased multi-fold in the first half of the current fiscal to ₹1,050 crore, against ₹421 crore logged last year. Going forward, the company expects to achieve about 15 per cent increase in overall business, he said.

"After we have set foot in this phase of our expansion, SIL is aiming to strategically leverage the direct-to-consumers market and the digitised textile space to further elevate reach and supply in India and overseas," he added.

Established in 1984, Sangam is a leading producer of PV (polyester-viscose) dyed yarn, cotton and OE (open-end spinning) yarn and ready-to-stitch fabric. It produces 35 million meters of PV fabric and 48 million meters of denim fabric annually. It has over 2,80,000 spindles and 4,000 rotors.

The Group has introduced a garment manufacturing facility with 54 seamless knitting machines that produce 5 million pieces per annum and has a presence in over 50 countries.

Source: thehindubusinessline.com- Dec 01, 2021

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