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INTERNATIONAL NEWS

Intertextile Apparel and Yarn Expo Shenzhen Fairs Postponed

The global pandemic has certainly wreaked havoc on travel, and international trade shows have felt the pinch.

The virus outbreak's latest chapter forced Intertextile Shenzhen Apparel Fabrics and Yarn Expo Shenzhen to defer its upcoming event.

The fairs were due to take place from Dec. 8-10 at the Shenzhen World Exhibition & Convention Center. They had already been postponed once from their original early-November date.

"The organizers of Intertextile Apparel and Yarn Expo have made the difficult decision to postpone the Shenzhen editions in order to support government efforts to contain the spread of Covid-19," Wendy Wen, senior general manager of Messe Frankfurt (HK) Ltd., said.

"While we cannot hold the fairs as planned in December under the current circumstances, we would like to take this opportunity to thank all of our stakeholders for their patience and continued support, and we look forward to providing effective business trading platforms for the industry in 2022 in both Shanghai and Shenzhen," Wen added.

Organizers said further details will be announced at a later date.

Intertextile Shenzhen Apparel Fabrics is organized by Messe Frankfurt (HK) Ltd, the Sub-Council of Textile Industry, CCPIT and the China Textile Information Center. Yarn Expo Shenzhen is organized by Messe Frankfurt (HK) Ltd, the Sub-Council of Textile Industry, CCPIT, China Cotton Textile Association, China Chemical Fibers Association and China Knitting Industrial Association.

The Messe Frankfurt Group is the world's largest trade fair, congress and event organizer with its own exhibition grounds, with headquarters in Frankfurt and 29 subsidiaries around the world. Its wide range of services includes renting exhibition grounds, trade fair construction and marketing, personnel and food services. The company is owned by the City of Frankfurt and the State of Hesse.

Meanwhile, Gartex Texprocess India, a B2B exhibition for garment and textile manufacturing, made a comeback with its first hybrid edition in the post-pandemic market, alongside Screen Print India last week in Pragati Maidan, New Delhi.

With an aim to support local businesses in the road to recovery, Gartex Texprocess India, organized by Messe Frankfurt India & MEX Exhibitions Pvt Ltd., came about as India's textile sector is set to grow 300 percent in the next two years to $300 million, according to ratings firm Infomerics Valuation and Rating.

Buyers witnessed live product demonstrations of the latest innovative machines and solutions offered by the sellers' network with leading players from the industry. More than 100 brands were on the show floor, including AURA, Baba Machines, ColorJet India Ltd., Ramsons Garment Finishing Equipments Pvt Ltd., Jaysynth Dyestuff (India) and Morgan Tecnica.

A major center of attraction at Gartex Texprocess India was the Denim Show, featuring top trends and advancements in the world of denim, showcased by manufacturers such as Creora, Arvind Ltd., Raymond UCO Denim Pvt Ltd, Reliance Industries Ltd., Ginni International and Jindal Worldwide.

The Digital Symposium of Gartex Texprocess India also showcased experts from the industry sharing insights on pressing topics from "Finding a Solution to Sustainable Garment Manufacturing" to "Carbon Neutrality in Denim Industry."

Source: sourcingjournal.com– Dec 06, 2021

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IMF chief calls on global cooperation on pandemic, economic recovery

Kristalina Georgieva, managing director of the International Monetary Fund (IMF), on Monday called on global cooperation to control the COVID-19 pandemic and support the economic recovery as the new Omicron variant has spread to over 40 countries around the world.

"The global economy has continued to recover, but the recovery faces many risks, including the uncertain path of the pandemic amid the arrival of new variants, and the outlook on inflation," Georgieva said in a statement at the conclusion of the sixth "1+6" Roundtable convened virtually by the Chinese authorities.

"To address these challenges, urgent policy action is needed to control the pandemic, limit scarring, and transform the global economy," Georgieva said, stressing four areas for global cooperation.

First, urgent action is needed to reach the IMF's pandemic proposal to vaccinate 40 per cent in each country by the end of this year and 70 per cent by mid-2022.

Second, countries need to cooperate to reduce trade tensions and strengthen the multilateral trading system, which is a key engine for growth and jobs.

Third, more ambition is needed to accelerate the transition to net-zero carbon emissions and to support climate adaption efforts, tapping all policy levers available.

Finally, many developing economies will need the global community's support in their recovery, as they face shrinking fiscal space and rising debt burdens.

Source: business-standard.com– Dec 07, 2021

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Has Applied DNA Cracked the Code on Forensically Foolproof Cotton?

Applied DNA Sciences Inc. announced a development in its cotton genomics program on Monday that it believes can bring forensic proof of cotton authenticity and provenance specifically related to regional cotton varietals to give brands and relevant regulatory authorities access to fiber origin data regardless of manufacturing location.

The company, which is commercializing LinearDNA, its proprietary, large-scale polymerase chain reaction-based manufacturing platform that allows for the large-scale production of specific DNA sequences, said it recently presented initial data describing a methodology and findings for the successful determination of Egyptian cotton fiber, yarn and fabric origin using the combination of cotton genomics and isotopic analysis (IA) at an American Apparel and Footwear Association event. Applied DNA intends to publish its methodology and data when it completes its manuscript.

The program, an ongoing applied genomics strategy to identify genomic markers that are associated with cotton grown within specific geographies, has identified a biomarker specific to Giza 94, the largest planted Egyptian cotton varietal used in the production of premium cotton textiles. This biomarker was confirmed to be specific to Giza 94 grown in Egypt by validation with stable isotope analysis through a collaboration between the company and Isotech Laboratories, a division of Stratum Reservoir.

The data showed the Giza 94 biomarker was present in all samples bearing an IA signature from Egypt. The biomarker was not present in samples confirmed to not be of Egyptian origin by IA.

Given these findings, the company believes that it has proven for the first time that the geographic origin of cotton can be definitively ascertained via genotyping, a process of determining minute differences in the DNA of living matter.

Applied DNA has filed a provisional patent application on its newly discovered biomarker with the U.S. Patent and Trademark Office and intends to develop the biomarker into a rapid and cost-effective geoTyping assay that can be performed by various supply chain stakeholders and any molecular diagnostics lab.

"With textile brands sourcing finished product from factories globally, the provenance of cotton is often opaque to brands, regulatory bodies and consumers alike," Dr. James A. Hayward, chairman and CEO of Applied DNA, said. "The ability to determine Egyptian Giza 94 cotton origin genomically via DNA-based geoTyping is a game-changer for an industry still recovering from the multi-hundred-million-dollar fallout in 2016 of mislabeled cotton sheeting sold by leading U.S. retailers.

"The industry is seeking to find a fast, accurate and immutable means of establishing cotton origin to address concerns of cotton authenticity and provenance," Hayward added. "Through geoTyping, we are working to bring the same level of fidelity to cotton from the U.S., India, Australia and China."

Applied DNA is commercializing LinearDNA, its proprietary, large-scale polymerase chain reaction-based manufacturing platform that allows for the large-scale production of specific DNA sequences. The LinearDNA platform has non-biologic applications such as supply chain security, anti-counterfeiting and anti-theft technology. Key end-markets include textiles, pharmaceuticals and nutraceuticals, and cannabis.

Source: sourcingjournal.com– Dec 06, 2021

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Omicron: What to Know About Air Freight and Ocean Cargo

While it seems container shipping rates are finally starting to ease up—Drewry's World Container composite index decreased by 1.5 percent week-over-week to $9,050.77 per 40-foot container and well off peak levels north of $10,000 in September—supply chain concerns continue to cloud ocean and air freight as the holiday season heats up.

Given the uncertainty, Oxford Economics doesn't expect a full easing in supply chain disruptions before the first half of 2022. The forecasting and analytics company noted, however, that based on current orders and freight prices keep falling, shipping capacity is set to rise approximately 22 percent from 2022 to 2024 as demand eases.

Alongside expected port logjams in the U.S. and Europe into 2022 and heightened demand for goods coming from Asia, the Omicron variant of the coronavirus is bringing its own level of uncertainty as more than 70 countries impose travel restrictions from numerous southern Africa nations where it was initially discovered, including South Africa, Botswana, Eswatini, Lesotho, Mozambique, Namibia, Malawi, Angola, Zambia and Zimbabwe.

The restrictions and ensuing flight cancellations could have ramifications for air freight. Air cargo capacity is expected to decrease by 30 percent over the next few days, particularly on the key trade lanes between South Africa and North America, Europe and Asia. Due to strong demand, spot rates are likely to significantly increase until the end of the year amid the peak shipping season, Everstream Analytics said in a recent brief.

In the week after the World Health Organization (WHO) officially named omicron, there have already been 25 logistics and supplier incidents related to the variant, Everstream says. This is more than double the 12 found in the week after the Delta variant was named, the firm said.
Asian exports surge as US congestion continues

More persistent supply chain disruptions like these, particularly related to the variant, could send Asia's total gross domestic product (GDP) growth down 1.6 percentage points in 2022, from 5.4 to 4 percent, according to Oxford Economics.

Goods export volumes out of Asian ports are up 13 percent in the first nine months of 2021 versus the same period in 2020, and 5 percent higher compared to 2019, according to data from Oxford Economics. But the road to recovery has been bumpy. When restrictions were first implemented after factories across Vietnam and Malaysia had shuttered due to Covid-19 outbreaks, their economies were particularly hard hit, with Vietnam's manufacturing plunging 12 percent on a seasonally adjusted basis in the third quarter.

Even as production in the impacted countries ramps back up, logistical challenges persist, particularly in ocean shipping. Capacity on major shipping routes between Asia, Europe, and the U.S. have recovered to pre-Covid levels, and 20-foot equivalent unit (TEU) container port throughput was up approximately 6.2 percent in the first nine months of 2021 compared to the same period in 2019.

But port congestion concerns also remain as vessels are stuck off shore, as more gateways seek new alternatives to get product off the ships and onto roads and rail. Globally, less than half of container ships have arrived on time during 2021, and delays for late vessels are consistently adding 7.5 days to standard delivery times, versus approximately four days across 2018 and 2019, according to a report from Oxford Economics and Sea-Intelligence.

The increase in delivery times led to a rise in blank sailings, with approximately 10 percent of scheduled capacity being cut in the first half of 2021, the firm said. That number has since declined to 8 percent.

Adding to the concerns, productivity at U.S. ports still significantly lags behind their Asian counterparts. Asian ports can load or unload a container more than twice as fast as their North American counterparts, taking an average of 27 seconds compared to 76 seconds on large call sizes, according to research and analysis firm IHS Markit.

While Asian ports operate 24/7, a measure that Long Beach and Los Angeles have only recently piloted, the U.S. gateways also faces limited capacity at warehouses and a trucking labor shortage, all of which have spawned more logistical bottlenecks.

As a result, ship turnaround times in Shanghai, the world's busiest port, are currently at 4.9 days, only up slightly from the 4.5-day average from 2017 to 2019. Similarly, for other Asian ports such as Singapore; Busan, South Korea; and Kelang, Malaysia, the current turnaround is between 1.7 days to

3.5 days. In contrast, turnaround time at Los Angeles/Long Beach is up from 3.6 days to 6.4 days on average, according to data from RBC Capital Markets and Bloomberg.

However, the recent effort to institute container dwell fees, which have already been postponed twice, appear to have helped the Southern California ports clear some space. From Oct. 25 to Nov. 23, the two ports have seen a combined 33 percent decline in cargo left on the docks for extended periods.

Asia's port efficiency has made Oxford Economics more optimistic that the ramp-up in production will not lead to congestion across the region. In one example offered by the firm, Singapore has also implemented measures to ease regional port congestion, including opening the Tuas Port to store containers and allowing vessels to refuel and change crews.

In the U.S. and the U.K., both of which have been fighting through labor shortages, all eyes are now on whether the Omicron variant exacerbates these problems as workers at logistics and manufacturing facilities could temporarily exit the workforce or be deterred from returning.

Everstream Analytics noted that if worker shortages worsen in both countries, the congestion issues could persist deep into 2022 and delay a return to normalcy in ocean shipping supply chains, which it initially anticipated to happen sometime after the Chinese Lunar New Year in February 2022.

Source: sourcingjournal.com– Dec 06, 2021

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Turkey's industrial sector exports reach all-time monthly high of $16B

Turkey's industrial sector achieved the highest monthly exports of all time with foreign sales exceeding $16 billion (TL 220.44 billion) last month.

The country's overall exports increased by 33.4% in November compared to the same period of 2020, reaching $21.4 billion, according to an Anadolu Agency (AA) report that cited data from the Turkish Exporters Assembly (TIM).

The industrial sector's exports increased by 33.9% in November compared to the same period of the previous year, accounting for 75.9% of total exports last month. Among the sectors related to the industry, the automotive industry saw the highest exports with $2.5 billion.

It was followed by the chemical and product sector with $2.3 billion, the steel sector with $2.48 billion, ready-made clothing and apparel with $1.73 billion, jewelry with $1.28 billion, electricity and electronics with $1.27 billion, ferrous and non-ferrous metals with $1.20 billion, textiles and raw materials with $937.4 million, machinery and accessories with $840.4 million, the air conditioning industry with $561.3 million, cement glass ceramics and soil products with $397.2 million, the defense and aviation industry with $384.5 million, carpets with $280.5 million, the ship and yacht sector with $259.8 million, leather and leather products with $148.6 million and other industrial products with $15.2 million.

While 15 out of the 16 sectors within the industry group increased their exports in November, a decline was observed in the foreign sales of one sector.

Among the industries, the jewelry sector realized the highest rise with 307.6% in this period in question.

This sector was followed by the defense and aerospace industry with 100.9%, steel with 69.5%, other industrial products with 67.6%, ferrous and non-ferrous metals with 58.2%, chemicals and products with 47.1%, leather and leather products with 43.1%, textiles and raw materials with 33.1%, the air conditioning industry with 27.8%, cement, glass ceramics and soil products with 24.9%, machinery and accessories with 21.2, ships and yachts with 16%, electrical and electronics with 15%, ready-to-wear and apparel with 14.4% and carpets with 8.9%.

Foreign sales in the automotive sector decreased by 6.2% compared to the same period of the previous year. Despite the decrease, it continued to be the leading sector in exports.

Germany takes the lead

In November, ferrous and non-ferrous metals, leather and leather products, ready-made clothing and apparel, the air-conditioning industry, machinery and parts, and the automotive industry made the most exports to Germany; cement, glass ceramics and soil products, carpet, defense and aerospace industries mostly exported to the United States; electronics and the jewelry sector mostly to the United Kingdom; the steel, textile and raw materials sectors mostly to Italy; other industrial products to Vietnam; the ship and yacht industry mostly to China and the chemical and products sectors made the most foreign sales to the Netherlands.

The highest demand for industry-related sectors came from Germany. The ferrous and non-ferrous metals sector exported $159.6 million in products to Germany, while the leather and leather products sector exported $12.2 million; ready-made clothing and apparel $299 million; the air conditioning industry $54.4 million; machinery and accessories $92.9 million and the automotive industry $393.3 million.

Turkey’s overall export figure in November was also the highest monthly figure.

Imports also jumped 26.7% in November from a year ago to $26.8 billion. The foreign trade deficit last month widened 5.4% to $5.3 billion, the data showed on Dec. 2.

Exports had ended 2019 with nearly $180.5 billion, an all-time high, before falling to $169.5 billion in 2020, overshadowed by major disruptions in global trade.

The 12-month rolling sales came in at $221 billion, Trade Minister Mehmet Muş said earlier. The country aims to close the year with over $211 billion in foreign sales, according to the government's economic program.

Source: dailysabah.com– Dec 06, 2021

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China's logistics activity shows positive trend in November

Indicating a speedy recovery, the logistics performance index of the China Federation of Logistics & Purchasing (CFLP) showed 53.6 per cent in November, an increase of 0.1 percentage points from the previous month. The logistics performance index tracks business volumes, new orders, employment, inventory turnovers and equipment utility rates in the sector.

A reading above 50 per cent indicates expansion, while a reading below 50 reflects contraction. The rise indicated a speedy recovery of production logistics following the country's measures to ensure adequate power supply and stabilise raw material prices, said CFLP, whose mission is to promote the innovation and development of Chinese logistics and procurement.

CFLP said the logistics sector will maintain a positive trend as the sub-index for New Orders stood at 56.1 per cent, and those for Business Activity Expectations at 57.8 per cent.

Source: fibre2fashion.com– Dec 07, 2021

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Euro area, EU see expansion in volume of retail trade in October

In October 2021, the seasonally adjusted volume of retail trade increased by 0.2 per cent in the euro area and by 0.3 per cent in the EU, compared with September 2021, according to estimates from Eurostat, the statistical office of European Union. In September 2021, retail trade volume decreased by 0.4 per cent in the euro area and by 0.3 per cent in the EU.

In October 2021 compared with October 2020, the calendar adjusted retail sales index increased by 1.4 per cent in the euro area and by 2.3 per cent in the EU. The euro area (EA19) includes Belgium, Germany, Estonia, Ireland, Greece, Spain, France, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Austria, Portugal, Slovenia, Slovakia and Finland. The European Union (EU27) includes EA19 plus Bulgaria, Czechia, Denmark, Croatia, Hungary, Poland, Romania and Sweden.

In the euro area in October 2021, compared with September 2021, the volume of retail trade increased by 1.3 per cent for automotive fuels and by 0.4 per cent non-food products. In the EU, the volume of retail trade increased by 1.3 per cent for automotive fuels, by 0.6 per cent for non-food products.

Among Member States for which data are available, the highest monthly increases in the total retail trade volume were registered in Slovenia (+13.0%), Portugal (+2.3%) and Denmark (+2.2%). The largest decreases were observed in Latvia (-5.4%), Austria (-2.8%) and Estonia (-2.6%).

In the euro area in October 2021, compared with October 2020, the volume of retail trade increased by 8.5 per cent for automotive fuels and by 2.5 per cent non-food products. In the EU, the retail trade volume increased by 9.0 per cent for automotive fuels and by 3.8 per cent for non-food products.

Among Member States for which data are available, the highest yearly increases in the total retail trade volume were registered in Slovenia (+34.3%), Poland (+12.4%) and Estonia (+11.0%). The largest decreases were observed in Germany (-2.8%), Latvia (-2.3%) and Ireland (-1.9%).

Meanwhile, according to a flash estimate from Eurostat, euro area annual inflation is expected to be 4.9 per cent in November 2021, up from 4.1 per cent in October.

In terms of the main components of euro area inflation, energy is expected to have the highest annual rate in November (27.4%, compared with 23.7% in October), followed by services (2.7%, compared with 2.1% in October), non-energy industrial goods (2.4%, compared with 2.0% in October) and food, alcohol & tobacco (2.2%, compared with 1.9% in October).

Source: fibre2fashion.com– Dec 07, 2021

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Transport bodies caution govts against 'knee-jerk' reaction to Omicron

World leaders' knee-jerk reactions to the Omicron variant are putting transport workers and the global supply chain at greater risk of collapse, international transport organisations and road, air and sea transport unions recently cautioned. They urged governments not to re-impose restrictions that limit the freedom of movement of global transport workers.

The International Air Transport Association (IATA), the International Chamber of Shipping (ICS), the International Road Transport Union (IRU) and the International Transport Workers' Federation (ITF), in a joint press release, called for an end to the 'rushed and fragmented' approach to travel rules by governments.

A week since the World Health Organisation designated the new Omicron strain of COVID-19 as a 'variant of concern', at least 56 countries have re-imposed varying degrees of travel restrictions.

The transport bodies represent more than $20 trillion of world trade annually and 65 million global transport workers across the supply chain.

A crisis meeting with the World Health Organization (WHO) and the International Labour Organisation (ILO) to discuss the recommendations, and the impact that travel bans and other restrictions in response to the Omicron variant will have on transport workers and the global supply chain is scheduled for December 6.

Source: fibre2fashion.com– Dec 07, 2021

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Indonesia's safeguard duty won't impact RMG export of Bangladesh

The safeguard duty, slapped by Indonesia recently will not have much impact on the apparel export of Bangladesh, industry insiders hope.

They also said that Indonesia is not a big market for Bangladesh. So, their safeguard duty will not have much impact.

Moreover, it is a competitor of Bangladesh too.

However, it is also a promising market for Bangladeshi RMG items. Although Bangladesh exports less here, this will be threatened, they added.

Talking to Dhaka Tribune, Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) said that they don't think this will have a big impact on Bangladesh because the market size in Indonesia is very small for Bangladesh.

Moreover, it has given the same policy to other exporters, he added.

"Indonesia itself is a big garment manufacturer. So, this market has no potential, no chance of expanding in the future. Besides, their currency is very weak, which is why we are not thinking about it," he added.

Shahidullah Azim, vice-president of the BGMEA echoed the president and said that Bangladesh is not worried about the safeguard duty of Indonesia.

"Indonesia is not a big market for our apparel items, rather they are our competitors in the global arena," he added.

He also said that Bangladesh exports very little amount of apparel goods there and their new tariffs will not have a substantial impact on the exports of Bangladesh.

"However, we will urge the government to take necessary measures to resolve the disputes through diplomatic channels," he added.

Recently, the committee on safeguards of the World Trade Organization (WTO) circulated a notification on the imposition of the safeguard duty for a three-year period by the Indonesian Ministry of Finance.

According to the circular, Indonesia has slapped safeguard duty, ranging between $1.33 and $4.34 per piece, on the import of almost all apparel items from Bangladesh and other countries to protect the interests of the local industry of Indonesia.

The rate of safeguard duty will go down every year. In the second year, the duty will be between $1.26 and $4.12 per piece while in the third year it will be between $1.20 and $3.91, said the circular.

Meanwhile, China, Singapore and Vietnam currently enjoy duty-free access to Indonesia, whereas Bangladesh has been facing a 25% tariff for apparel export.

BGMEA Director Mohiuddin Rubel said that Indonesia imposed this safeguard duty despite the fact that they could not prove a causal link between the surge of their apparel imports and domestic market injury.

“They made a one sided decision, Bangladesh may win if they go for dispute settlement through WTO,” he added.

He also said that Indonesia is also not a significant market for Bangladesh as it exports only around $30 million and the total import of Indonesia from the world is around $630 million.

“So, this is not a big loss for us in terms of market, but Bangladesh should also send a strong signal against such measures,” he added.

According to the Export Promotion Bureau, Bangladesh exported apparel goods and apparel accessories worth $34 million to Indonesia in FY21, which was around $29 million in FY20, $30 million in FY19, $20 million in FY18, and $13.8 million in FY17.

This data showed that the export of apparel items to Indonesia experienced a rising trend over the last five years.

Moreover, Bangladesh exported the textile items to Indonesia worth around $7 million in FY21 and around $3 million in FY20, said the EPB data.

Bangladesh imported over $1.94 billion worth of goods from the Southeast Asian country where the garment items were worth of $187 million, including $133 million of fibres.

The safeguard duties are state levies that can be imposed on imported goods in case of an absolute or relative surge in the import of goods detrimental to similar domestic products or which could cause heavy losses to the domestic industry.

Indonesian Safeguards Committee (KPPI) introduced the safeguard measures following an investigation on Bangladesh's apparel exports to Indonesia for the 2017-2019 period.

The BGMEA and the Bangladesh Trade and Tariff Commission shared their arguments, stance, and observations on the matter last year.

A hearing took place in November last year on the matter. Effective from November 12 of last year, Indonesia has, however, excluded the developing-countries from the safeguard duty on headwear and neckwear if their exports contribute less than 3% of the items to Indonesia.

However, the World Federation of the Sporting Goods Industry, a Switzerland-based organization, alleged Indonesia saying that it had violated WTO rules to impose the safeguard measures.

Source: dhakatribune.com– Dec 06, 2021

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Let's give a new meaning to 'Made in Bangladesh'

"Made in Bangladesh" is a brand which now resonates around the world, thanks to the size and global reach of our RMG industry. But what does it mean to end consumers? How does it resonate with the people who wear the clothing that garment workers toil to produce in our factories?

Having had the good fortune to travel a great deal these past two decades, I can say that our country's branding can offer mixed messages. For many Western consumers, it is associated with cheap clothing and a business model which sees Europe, the US and other Western countries outsource low-cost industries to the Global South.

"Made in Bangladesh" has also developed some unsavoury connotations since the Rana Plaza collapse. The image of garment workers being crammed into unsafe factories—which no longer holds true for Bangladesh and needs to be stated—is one which has been hard to erase from a marketing and PR standpoint.

"Made in Bangladesh," then, offers mixed messages around the world. It does not have the standing of, say, "Made in Germany" or even "Made in England," but, it is a brand on the world stage—for good or bad.

How can we improve it, then? Telling people about the provenance and authenticity of the products they purchase is becoming an increasingly powerful marketing tool in a crowded global market. With so many products fighting for audience and market share, and so much social media noise, gaining cut through and creating a memorable impression with one's audience is a huge challenge.

I believe there are opportunities for the RMG industry of Bangladesh here. There is a growing interest in where and how products are made among consumers, and it is up to us, as the world's second largest producer of clothing, to respond to these new market dynamics.

Technology can play a key role here. In the textile and fashion space, we are increasingly seeing technology being used to track and trace textile fibres and garments from one part of the world to another, with blockchain also being used along the way. These generally see a unique "marker" being applied to textile fibres so that it then becomes possible to identify them along supply chains. Technological solutions like this are increasingly being demanded by our buyers in order to satisfy the requirements around supply chain transparency. This kind of technology is certainly the next big thing in our industry, and it is important that we, as suppliers, understand it and realise how it can be utilised.

Taking one recent example from another country: a traceable textile specialist has just announced a partnership with an industrial park developer in Africa to supply fully traceable cotton from Benin. This new pilot programme will enable spinner-to-garment traceability on products, offering huge potential to grow and develop Africa's cotton sector.

How we can make this kind of technology work in Bangladesh is something I believe our business and trade leaders need to look into now. I know that, just recently, the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) made announcements around an increased focus on recycled products. As I have written previously, fashion is already asking supply chains how they can help boost recycled products in their collections, and a number of buyers are working with Bangladesh in this area. Suppliers in Bangladesh need to be looking at how they can forge links with textile recyclers.

But perhaps we can combine the two? One of the challenges for garments containing recycled materials is that it is not always possible to be 100 percent sure whether the materials in the garment are what is claimed. It could be recycled content, but there have been stories in the news lately that virgin fibres are being used in their place. This is one area where traceability solutions could come to the fore, and there is no reason why Bangladesh should not help lead the way.

Could Bangladeshi apparel makers team up with recycling partners and traceable tech companies to provide fully traceable garments, where it is possible to provide, via a barcode on the end product, the precise content of the clothing? This is the futuristic direction our industry is heading to.

Bringing this kind of added value to end clothing products gives a whole new meaning to the term "Made in Bangladesh." It is a brilliant way to help us on our rebranding journey, shifting away from a country which simply produces staple clothing items to one which creates clothing that is made using recycled fibres, is fully traceable and can demonstrate the kind of authentic sustainability values that brands and their end consumers are looking for these days.

At present, there are all manners of recycling projects globally seeking business partners. Likewise, in the traceable fibres space, there are small but a growing band of companies offering end-to-end traceability solutions. Our suppliers and, at a broader, more strategic level, our industry leaders and even the government authorities need to be making connections with these companies to see where synergies can be developed. Our buyers also need to be in on these conversations.

Our industry is changing—and at a faster rate than one could imagine. If we don't embrace these new technologies, we will be left behind. So, let's get behind them and use them to our advantage, as a way to add value to what we do and freshen up the "Made in Bangladesh" brand, giving it extra dimension and meaning in our increasingly interconnected global market.

Source: thedailystar.net– Dec 07, 2021

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NATIONAL NEWS

21st India – Russia Annual Summit

President of the Russian Federation, H.E. Mr. Vladimir Putin, paid a working visit to New Delhi on 06 December 2021 for the 21st India – Russia Annual summit with Prime Minister Shri Narendra Modi.

2. President Putin was accompanied by a high level delegation. Bilateral talks between Prime Minister Modi and President Putin were held in a warm and friendly atmosphere. The two leaders expressed satisfaction at the sustained progress in the 'Special and Privileged Strategic Partnership' between both countries despite the challenges posed by the Covid pandemic. They welcomed the holding of the first meeting of the 2+2 Dialogue of Foreign and Defence Ministers and the meeting of the Inter-Governmental Commission on Military & Military-Technical Cooperation in New Delhi on 6 December 2021.

3. The leaders underscored the need for greater economic cooperation and in this context, emphasized on new drivers of growth for long term predictable and sustained economic cooperation. They appreciated the success story of mutual investments and looked forward to greater investments in each others' countries.

The role of connectivity through the International North-South Transport Corridor (INSTC) and the proposed Chennai - Vladivostok Eastern Maritime Corridor figured in the discussions. The two leaders looked forward to greater inter-regional cooperation between various regions of Russia, in particular with the Russian Far-East, with the States of India. They appreciated the ongoing bilateral cooperation in the fight against the Covid pandemic, including humanitarian assistance extended by both countries to each other in critical times of need.

4. The leaders discussed regional and global developments, including the post-pandemic global economic recovery, and the situation in Afghanistan. They agreed that both countries share common perspectives and concerns on Afghanistan and appreciated the bilateral roadmap charted out at the NSA level for consultation and cooperation on Afghanistan.

They noted that both sides shared common positions on many international issues and agreed to further strengthen cooperation at multilateral fora, including at the UN Security Council. President Putin congratulated Prime Minister Modi for India's ongoing non-permanent membership of the UN Security Council and successful Presidency of BRICS in 2021. Prime Minister Modi congratulated Russia for its ongoing chairmanship of the Arctic Council.

5. The Joint Statement titled India-Russia: Partnership for Peace, Progress and Prosperity aptly covers the state and prospects of bilateral ties. Coinciding with the visit, several Government-to-Government Agreements and MoUs, as well as those between commercial and other organizations of both countries, were signed in different sectors such as trade, energy, science & technology, intellectual property, outer space, geological exploration, cultural exchange, education, etc. This is a reflection of the multifaceted nature of our bilateral partnership.

6. President Putin extended an invitation to Prime Minister Modi to visit Russia for the 22nd India-Russia Annual Summit in 2022.

Source: pib.gov.in- Dec 06, 2021

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CONTRIBUTION OF MANUFACTURING OF MSMEs

The MSME sector is an important sector of the Indian economy. As per the information received from Central Statistics Office, Ministry of Statistics & PI, share of the MSME manufacturing in All India manufacturing gross value output during the year 2018-19 and 2019-20 were 36.9% and 36.9% respectively.

As per the information received from Directorate General of Commercial Intelligence and Statistics, the share of export of specified MSME related products to All India exports during 2019-20 and 2020-21 was 49.8% and 49.4% respectively.

This information was given by Union Minister for MSME Shri Narayan Rane in a written reply in Rajya Sabha today.

Source: pib.gov.in- Dec 06, 2021

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The way forward in US-India economic ties

Being the world's leading democracies and market economies, India and the US see each other as vital strategic and natural allies and, more so given the rise of China and given the changing geo-political and strategic space in the Indo-Pacific.

Moreover, many countries including US and India feel the necessity to diversify their supply chain portfolio to avoid over-dependence on China. If the US-China tariff war posed uncertainties in world trade and investment, the pandemic clearly exposed the perils of the centrality of China in global value chains. A strong India-US bilateral trade and investment pact along with forums such as 'Quad' can help in developing alternative supply chains. The re-launch of the India-US Trade Policy Forum (TPF) after a gap of four years is a welcome step to discuss and sort out bilateral trade and investment issues.

As per the USTR (2020), India is the 9th largest trading partner in goods for the US. The US was India's leading trade partner and export market in 2019-20. India has a trade surplus with the US. Despite the uncertain policy environment such as discontinuing the trade policy forum, delisting from Generalised System of Preferences (GSP) programme, the India-US bilateral merchandise trade has witnessed robust growth, faster than its trade with rest of the world.

India's exports and imports with the US grew at CAGRs of 7.7 per cent and 14.3 per cent respectively compared to 5.1 per cent and 5.2 per cent growth of India's global exports and imports between 2015 and 2019.

Indo-US trade in commercial services increased at a CAGR of 6.4 per cent and reaching $54.1 billion from $42.2 billion from 2015 to 2019 (USTR, 2020). Although the services trade balance continues to remain in India's favour, the US's services exports — mostly travel, transport and intellectual property — to India have grown faster than its services imports from India in the recent years.

The US is the fifth largest source of FDI for the country (DPIIT, 2020) with $30.42 billion inflows during April 2000-June 2020. In 2019-20, the FDI equity inflow from the US to India was $4.2 billion which is 34.5 per cent higher than previous year and is also the highest annual inflows during the last two decades.

However, the current level of economic engagement falls behind the potential. India's total trade with US ($146 billion) is less than one quarter of the US-China trade ($615 billion) in 2020.

Some of the key issues for India include the withdrawal of trade preferences given to India under the GSP programme, removal of India from the US's list of 'developing countries', high import tariffs on steel and aluminium and visa restrictions that particularly hamper the exports of services, especially the IT-BPO services. Unpredictable regulatory requirements and restrictive digital trade measures are also an issue.

US grievances

USTR, 2021, highlights that exporters from the US face a number of tariff and non-tariff barriers that impede the US exports and market access to India. The average Most-Favoured-Nation (MFN) applied tariff rate in India is 17.6 per cent — 14.1 per cent non-agriculture products and 38.8 per cent agricultural products — which is highest among major economies.

The US has also concerns with regards to the gap between WTO bound rates and MFN applied rates in India that allows significant flexibility to alter tariff rates at any time, which creates uncertainty for the US exporters. US has also issues with government procurement, weak intellectual property (IP) protection and enforcement, restrictions on FDI in the retail industry etc.

IPR continues to be one of the most long standing and contentious issue between India and the US. As a result, India remained on the Priority Watch List in the 2021 Special 301 Report of the USTR. Some of the key issues pertaining to India Patents Act for the US include potential threat of patent revocations, lack of presumption of patent validity, trademark counterfeiting and the narrow patentability criteria. Continuous engagement between the two countries though India-US TPF's Intellectual Property Working Group is the way forward.

Both India and the US are keen on exporting agricultural products to each other. The US agri-products face both tariff and non-tariff barriers (NTBs). Some of the products that face high duty in India and are of interest to the US include vegetable oils, apples, corn, motorcycles, automobiles, flowers, walnuts and alcoholic beverages.

The major TBT issues for US exporters to India include Rejection of USDA Certified Organic Consignments, restrictions on imports of livestock genetics, onerous requirements on dairy imports etc. Both countries agreed to finalise work on market access facilitation for mangoes and pomegranates, and cherries and alfalfa hay for animal feed from the US during the recently concluded TPF meeting.

The re-launching of India-US TPF provides a robust institutional mechanism to reboot the India-US economic relations. The overriding factor driving the strategic relationship is "China". The two nations are working together under the umbrella of Quad to counter the Chinese threat globally and also ensure that the Quad works closely with each other to develop strong economic and defence ties.

Source: thehindubusinessline.com- Dec 05, 2021

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The supply chain hurdle in India's recovery

In recent months, apart from the pandemic, another crisis is stalking the world — supply chain bottlenecks.

While in 2020, the relative differences in the timing of Covid related lockdowns caused some supply friction, the 2021 supply chain bottlenecks are due to a much stronger than anticipated global recovery, and a series of idiosyncratic shocks, emanating from Asia.

Whether it is the severe drought in Taiwan, or fires in Japan or the delta variant related lockdowns in Malaysia, each individual shock has compounded the supply bottlenecks which were impinging on the voracious demand from the western economies.

It is not to say that exports have been weak. For most economies in Asia, the robust growth in goods exports has more than compensated for the loss of services exports. Still, the high demand for shipping containers, elevated freight costs, the material fall in global auto production, the surging prices of semiconductors and the intensification of port congestions exhibit a deeper malaise and years of under investment in primary infrastructure and industrial capacity.

These factors together apart from hindering growth are also leading to production losses in some sectors, and contributing to rising inflation.

Inflation worries

Indeed, this mismatch between highly resilient aggregate demand, and shaky aggregate supply has naturally triggered inflationary concerns. But despite the inflationary pressures, led by rising commodity prices, the concerns are rather alarmist.

Global bond markets are not pricing a prolonged surge in inflationary pressures, which is consistent with the weight of history being behind the credibility of central banks in containing inflation over the business cycle. Still, the price shocks have been enough to cause policymakers to look at supply chains much more closely than in the past.

For India, the bottlenecks have mostly been reflected in higher commodity prices, and to an extent greater freight costs. However, the shortages of certain products, especially semiconductors have increasingly been impacting production, especially for automobiles. Indeed, auto production in the last six months has been 16 per cent below 2019 levels for passenger vehicles, and 24 per cent for two wheelers.

This issue appears to be especially debilitating for India's nascent electronic vehicles industry. In line with weak production, sales have declined, and the backlog of orders has built up dramatically.

At the same time, as the Indian economy appears set to take off in 2022, it is inevitable that both consumption and investment demand will lead to much greater pick up in imports.

A potential global headwind for India's private investment revival could be the paucity or delays in availability of industrial equipment and critical components for the electronics sector, both of which are expected to do well going forward, especially given their primary role within the government's production linked incentives framework for building production capacity.

Given that the ongoing supply chain issues may continue to persist through a large part of 2022, the bottlenecks can artificially dampen capital imports and slow down India's investment recovery, while also adding some cost push pressures at the margin.

So is India is doing enough to build resiliency into its own supply chain related dependencies?

So far, India's imports have been rising rapidly, and understandably, the focus is first on securing energy supplies. India's recent deficit widening has largely been a function of higher energy imports, though we are also seeing expansion in India's non-oil, non-gold imports. But given that India's recovery is still in early stages, there is much greater scope for imports to rise going forward, increasing the need to consider these bottlenecks from a bottom-up perspective.

The Prime Minister has highlighted India's desire to become a major hardware producer, especially for semiconductors. The government is looking to add more incentives, but a typical large semiconductor manufacturing facility needs almost two years to build, and we will need to consider our short term challenges, versus our longer term objectives.

The Ministries of Commerce and External Affairs could partner with various industry bodies, to monitor emerging supply shortages, which can then be addressed at the source level. This will allow for a dialogue between the government and the private sector, while ensuring that India is able to respond quickly to any specific shortages triggering a "butterfly effect" in its manufacturing sector.

Globally, the components shortages also partly reflect the high level of integration in supply chains, and makes a strong case for building greater resiliency and diversification in production sources and trade infrastructure. This is a highly lucrative long-term opportunity for India, as it aims to insert itself in various critical supply chains, which will allow India's exports to grow rapidly.

However, given the starting point for India remains one of import dependencies in varying degrees on capital and consumer imports, we need to be watchful and pragmatic in understanding and addressing the supply chain bottlenecks, to shield our nascent recovery.

Source: thehindubusinessline.com- Dec 06, 2021

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India has fourth largest foreign exchange reserves in world: MoS Finance

India currently has the fourth largest foreign exchange reserves in the world, Minister of State for Finance Pankaj Chaudhary told Lok Sabha on Monday. As on November 19, 2021, he said the forex reserve stood at USD 640.4 billion.

Replying to another question, he said the details of the holders of P-Notes/ offshore derivative instruments (ODIs) as well as beneficial owners of holders of ODIs, identified in terms of Rule 9 of the Prevention of Money laundering (Maintenance of Records) Rules, 2005, are reported to Sebi on a monthly basis by ODI issuing foreign portfolio investors (FPIs).

Further, ODIs issuing FPIs are required to maintain with them at all times the KYC documents regarding ODI subscribers and make them available to Sebi on demand, he said.

In reply to another question, Chaudhary said the total excise duty, including cesses collected from petroleum products, during past seven financial years (2014-15 to 2020-21) stood at about Rs. 16.7 lakh crore.

“The total central excise duty on unbranded petrol was Rs 9.2 per litre in 2013-14, while that on unbranded diesel was Rs 3.46 per litre. At present, the total central excise duty on unbranded petrol is Rs 27.9 per litre and that on unbranded diesel is Rs 21.80 per litre,” he said.

The excise duty rates on petrol and diesel have been calibrated to generate resources for infrastructure and other developmental items of expenditure keeping in view the prevalent fiscal situation, he said.

Source: financialexpress.com- Dec 06, 2021

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Scope to expand footwear & textile sectors in India: Minister Goyal

Indian textile minister Piyush Goyal recently urged Indian industry leaders to set ambitious targets as the economy is poised for a sustained spell of rapid growth. Addressing the 5th meeting of the Confederation of Indian Industry (CII) national council in New Delhi, he said there is huge scope to expand labour-intensive plastics, footwear and textiles industries.

Goyal is also in charge of commerce and industry, consumer affairs, and food & public distribution portfolios.

He encouraged the industry to have a greater risk appetite, invest in labour-intensive industries that may be less profitable at the beginning, but generate lakhs of jobs, and promote tribal handicraft products as part of corporate social responsibility activities.

Stressing that the country is going through a sharp and strong revival, the minister said rising economic indicators indicate India is shaping up for a growth decade, according to an official release.

Source: fibre2fashion.com- Dec 06, 2021

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Supreme Court upholds RBI's guidelines prohibiting export of PPE kits

In a significant verdict, the Supreme Court Monday upheld the validity of certain Guidelines on Merchanting Trade Transactions (MTT) of RBI denying letter of credit for exporting PPE kits during COVID-19 pandemic, saying democratic interests which secure the welfare of masses cannot be "judicially aborted" to preserve "unfettered freedom" to do business of the few. A bench of Justices Chandrachud, Justice Vikram Nath, and Justice BV Nagarathna dismissed the appeal of a director of a firm that trades in pharmaceuticals that his company was prohibited from acting as an intermediary by importing PPE kits from China to export them to the US.

It was alleged that trade restrictions of RBI amounted to a violation of the fundamental right to freedom to trade and business guaranteed under Article 19(1)(g) of the Constitution.

Dismissing the plea, the verdict said, "This Court must be circumspect that the rights and freedoms guaranteed under the Constitution do not become a weapon in the arsenal of private businesses to disable regulation enacted in the public interest.

"The Constituent Assembly Debates had carefully curated restrictions on rights and freedoms, in order to retain democratic control over the economy. Regulation must of course be within the bounds of the statute and in conformity with executive policy. A regulated economy is a critical facet of ensuring a balance between private business interests and the State's role in ensuring a just polity for its citizens".

Justice Chandrachud, writing the 55-page judgement, said it was not the stance of the court that the power of "judicial review is stowed in cold storage" until a public health crisis tides over and this court retains its role as the constitutional watchdog to protect against state excesses.

The court continues to exercise its role in determining the proportionality of a state measure, with adequate consideration of the nature and purpose of the extraordinary measures that are implemented to manage the pandemic, it said.

"Democratic interests that secure the well-being of the masses cannot be judicially aborted to preserve the unfettered freedom to conduct business, of the few," the verdict said.

"This court does not espouse shunning of judicial review when actions of regulatory bodies are questioned. Rather, it implores intelligent care in probing the bona fides of such action and nuanced deference to their expertise in formulating regulations. A casual invalidation of regulatory action in the garb of upholding fundamental rights and freedoms, without a careful evaluation of its objective of social and economic control, would harm the general interests of the public," it said.

It upheld the judgment of October 8, 2020, of the Madhya Pradesh High Court to be a valid one in finding the MTT Guidelines to be constitutionally valid.

It said that the decision to not allow export was a "proportionate measure in ensuring the availability of sufficient domestic stock of PPE products. The measure was validly enacted, in pursuance of legitimate state interest and did not disproportionately impact the fundamental rights of the appellant."

"This Court must be bound by a similar obligation, in order to preserve its fidelity to the Constitution. With the transformation in the economy, the Courts must also be alive to the socio-economic milieu. The right to equality and the freedom to carry on one's trade cannot in here a right to evade or avoid regulation. In liberalized economies, regulatory mechanisms represent democratic interests of setting the terms of operation for private economic actors," it said.

Dealing with the role of RBI, it said the federal bank has been entrusted with the exclusive authority to operate the monetary policy framework of India, and hence it is settled that the bank is a special, expert regulatory body that is insulated from the political arena.

"Its decisions are reflective of its expertise in guiding the economic policy and financial stability of the nation..," it said, adding, "This Court must be circumspect that the rights and freedoms guaranteed under the Constitution do not become a weapon in the arsenal of private businesses to disable regulation enacted in the public interest."

Regulating the economy is reflective of the compromise between the interests of private commercial actors and the democratic State that represents and protects the interests of the collective, it said.

Referring to the facts of the case, it said RBI has demonstrated a rational nexus in the prohibition in respect of PPE products and the public health of Indian citizens.

"The critical links between FTP (foreign trade policy) and MTTs have been established by the respondents. Facilitating MTTs in PPE products between two distinct nations may prima facie appear as having no bearing on the availability of domestic stocks. However, the RBI has carefully established the connection between the use of Indian foreign exchange reserves, MTTs, and the availability of domestic stocks...," it said.

As a developing country with a sizable population, RBI's policy to align MTT permissibility with the FTP restrictions on import and export of PPE products cannot be questioned, it said.

Source: economictimes.com- Dec 06, 2021

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Indian economy shows strong signs of recovery, upswing in 19 of 22 economic indicators

High-frequency indicators (HFIs) are being monitored to track the progress of economic recovery in India since the first COVID-19 case was reported in the country in January 2020.

Indian economy is showing strong signs of recovery from the devastation caused by the pandemic, with an upswing being reported in 19 out of the 22 economic indicators as compared to the pre-Covid levels.

High-frequency indicators (HFIs) are being monitored to track the progress of economic recovery in India since the first COVID-19 case was reported in the country in January 2020.

The latest information indicates that among 22 HFIs, full recovery has been achieved in respect of 19 HFIs, as their latest levels in the months of September, October and November this year are higher than their pre-pandemic levels in the corresponding months of 2019, official sources said.

Among the 19 HFIs, there are some indicators whose recovery is way beyond 100 per cent, such as e-way bill by volume, merchandize exports, coal production and rail freight traffic, which suggests that not only the recovery is complete, the economic growth is now gathering momentum over the pre-pandemic levels of output.

This is further confirmed by the estimates of GDP recently released for Q2 (July-September) of 2021-22, whose year-on-year growth in real terms at 8.4 per cent takes the output level higher than the pre-pandemic level of Q2 output in 2019-20.

While Electronic Toll Collection (ETC) at Rs 108.2 crore in October was 157 per cent of the pre-Covid levels of 2019, UPI volumes are nearly four times at 421.9 crore.

Merchandise imports at USD 55.4 billion in October are 146 per cent of 2019 levels. E-way bill volume has more than doubled to 7.4 crore in October. Coal production has risen 131 per cent to 114.1 million tonnes in September while rail freight traffic has jumped 125 per cent.

Fertiliser sales, power consumption, tractor sales, cement production, port cargo traffic, fuel consumption, air cargo, IIP, and 8-core industries are all above pre-Covid levels, they said.

The only sectors that are yet to touch the pre-pandemic level are steel consumption which is 99 per cent of 2019 levels in October, domestic auto sales that are 86 per cent of pre-Covid levels and air passenger traffic which is 66 per cent of the October 2019 volume.

Source: financialexpress.com- Dec 06, 2021

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RELIEF TO MSMEs

NSIC facilitates availability of key raw materials like Steel, Aluminium, Copper, Zinc, Polymer, Bitumen, Emulsion, Cement etc., from bulk producers by entering into MoUs with them and provides these raw materials at competitive prices to MSMEs. Further, NSIC is implementing Raw Material Assistance (RMA) Scheme to provide credit support to MSMEs for procurement of raw materials from the bulk manufacturers with whom NSIC has made arrangements as well as any other suppliers identified by the MSME(s).

The details of the assistance provided to MSMEs by NSIC under Raw Material Assistance Scheme in last two years and current year are as under:

Financial year	No. of units supported	Credit support provided (Rs.in lakh)
2019-20	2842	524495.62
2020-21	2699	439843.75
2021-22 (upto 26.11.2021	2445	308303.03

Government of India has taken various steps to ensure continuous supply of raw materials to MSMEs including steel. Some of the steps taken to meet the raw material demands of MSMEs in the Steel Sector are as under:\

(i) Government has taken various steps to increase availability of iron ore and steel which include, inter-alia, Mining and Mineral Policy reforms to ensure enhanced production and availability of iron ore, early operationalization of forfeited working mines of Odisha by the State/Central PSUs etc., besides ramping up production and capacity utilization by steel producers.

(ii) In Union Budget 2021-22, Customs Duty has been reduced uniformly to 7.5% on Semis, Flat and Long products of non-alloy, alloy and stainless steels. Further, Basic Custom Duty (BCD) on steel scrap has been exempted for a period up to 31 st March, 2022. In addition to the above, ADD and CVD on certain steel products have also been revoked / temporarily revoked.

(iii) To give relief to secondary and MSME sector steel industry engaged in Housing/construction sector, TMT bars below 8 mm have been exempted from the purview of the Quality Control Order, as these are primarily used for non-critical applications;

(iv) Ministry of Steel has also issued clarifications to CPWD, MoRTH etc., that steel produced through various routes of production using iron ore, steel scrap and DRI should be treated at par if the steel produced conforms to the relevant BIS standards.

This information was given by Union Minister for MSME Shri Narayan Rane in a written reply in Rajya Sabha today.

Source: pib.gov.in- Dec 06, 2021

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MoUs worth Rs 14,165 crore signed before Vibrant Gujarat Summit

Chief Minister Bhupendra Patel, who was present at the function in Gandhinagar, said Gujarat is ready to become the growth engine of the country and will work to realise the theme of this Vibrant Gujarat Summit of "Atmanirbhar Gujarat for Atmanirbhar India".

In the run up to the Vibrant Gujarat Summit, the state government on Monday signed 12 pacts for proposed investments worth Rs 14,165 crore with various industrial groups.

The proposals included a Rs 1,500 crore investment by Matter, an electric vehicle manufacturing company.

"The investment proposals signed between various industry representatives and the state government were for manufacturing of electric two-wheeler, chemicals, pharma API, organic paper, metal, jewellery, and dyes," a release said.

Chief Minister Bhupendra Patel, who was present at the function in Gandhinagar, said Gujarat is ready to become the growth engine of the country and will work to realise the theme of this Vibrant Gujarat Summit of "Atmanirbhar Gujarat for Atmanirbhar India".

Matter, a start-up focusing on electric mobility solutions and energy storage, signed a Memorandum of Understanding (MoU) with the Gujarat government committing an investment of Rs 1,500 crore over the next five years.

Of this, Rs 1,200 crore will be invested in electric mobility and Rs 300 crore will be for energy storage. These investments will also generate 4,000 jobs in the state over the next five years, the release from the company said.

An investment proposal of Rs 7,500 crore was signed by SRF Limited, a multi-business chemical conglomerate, for manufacturing of various chemicals at Dahej PCPIR (Petroleum, Chemical and Petrochemical Investment Region).

Welsupn Metallics inked an MoU for investing Rs 1,000 crore to manufacture iron of all grades in Kutch, while N R Agarwal Group will invest Rs 650 crore for manufacturing paperboard and other paper products in Valsad.

This is the third Monday in a row when the state government has signed MoUs with different companies for proposed investment in Gujarat ahead of the Vibrant Gujarat Summit.

Prime Minister Narendra Modi will inaugurate the summit on January 10.

Source: financialexpress.com- Dec 06, 2021

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EMPLOYMENT OPPORTUNITIES IN MSMEs

As per 73rd Round of NSS Report on Unincorporated Non-Agricultural Enterprises' (July 2015- June 2016) conducted by Ministry of Statistics & PI (MoSPI), the estimated number of persons employed in MSMEs are about 11.10 crore. Under the Prime Minister's Employment Generation Programme (PMEGP), the estimated employment generated (number of persons) in micro enterprises during the year 2016-17, 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 (as on 15.11.2021) are 4.08 lakh, 3.87 lakh, 5.87 lakh, 5.33 lakh, 5.95 lakh and 2.90 lakh respectively.

The Ministry of Micro, Small and Medium Enterprises (MSMEs) implements various schemes to increase employment opportunities of MSME sector in the country. These include PMEGP, Micro and Small Enterprises-Cluster Development Programme (MSE-CDP), Scheme of Fund for Regeneration of Traditional Industries (SFURTI), Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) and a Scheme for Promoting Innovation, Rural Industry & Entrepreneurship (ASPIRE). Government has taken a number of initiatives under Aatma Nirbhar Bharat Abhiyan to support the MSME Sector in the country especially in Covid-19 Pandemic. Some of them are:

i. Rs 20,000 crore Subordinate Debt for MSMEs.

ii. Rs 3 lakh crores Collateral free Automatic Loans for business, including MSMEs.

iii. Rs. 50,000 crore equity infusion through MSME Fund of Funds.

iv. New revised criteria for classification of MSMEs.

v. New Registration of MSMEs through 'Udyam Registration' for Ease of Doing Business.

vi. No global tenders for procurement up to Rs. 200 crores, this will help MSME.

As reported by the Credit Guarantee Trust for Micro and Small Enterprises on 16.11.2021, 754 guarantees amounting to Rs. 81.47 Crore have been approved under Credit Guarantee Scheme for Subordinate Debt (CGSSD).

As part of the Aatma Nirbhar Bharat Abhiyaan, under the Emergency Credit

Line Guarantee Scheme (ECLGS), an amount of Rs. 2.82 lakh crore has been sanctioned as on 12.11.2021.

This information was given by Union Minister for MSME Shri Narayan Rane in a written reply in Rajya Sabha today.

Source: pib.gov.in- Dec 06, 2021

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For the week ending December 5, Nomura India Business Resumption Index drops to 113.0

The Nomura India Business Resumption Index fell to 113.0 for the week ending December 5 from 113.9 in the prior week, primarily reflecting a fall in the Apple driving index by 4.8 percentage points (pp), and in power demand by 5.4 per cent w-o-w from 1.2 per cent previously.

Outside these, Google workplace and retail and recreation indices rose by 4.0pp and 0.4pp respectively, and labour participation rate remained flat at ~40.5 per cent.

"Mobility indicators may start to taper in the coming weeks. India has detected 21 Omicron cases so far, and while overall cases are low, close monitoring is warranted, as mobility had risen above pre-pandemic levels in November, while the fully vaccinated are only 35% of the population. Enhanced border restrictions and testing may also cause increased public caution, weighing on services," Nomura said.

"Experience suggests that virus waves have a negative impact on growth, but also lead to higher inflation, due to disruptions to supply chains.

Consequently, we maintain our base case view that the RBI will normalize the reverse repo rate fully by 40bp at its MPC meeting this week, as economies are learning to live with the virus, GDP is back to pre-pandemic levels, and core inflation is near 6 per cent. Nevertheless, we attach a 30 per cent probability of a partial hike of 15-20bp and 15 per cent probability of status quo," it added.

Source: thehindubusinessline.com- Dec 06, 2021

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'MAKE IN INDIA' IN MICRO INDUSTRIES

Ministry of MSME is implementing following schemes to give impetus to 'Make in India' in MSME sector. These schemes focus on the promotion of locally produced goods in the country through empowering micro and small scale enterprises and traditional artisans:

i. Prime Minister's Employment Generation Programme (PMEGP) is a major credit-linked subsidy programme aimed at generating self-employment opportunities through establishment of micro-enterprises in the non-farm sector. The scheme focuses on producing goods using local talents, raw materials and machinery for domestic consumption and exports.

ii. Scheme of Fund for Regeneration of Traditional Industries (SFURTI) to organize traditional industries and artisans into clusters to make their products competitive and provide the artisans with sustainable employment.

iii. Micro and Small Enterprises-Cluster Development Programme (MSE-CDP) to create Common Facility Centres, Infrastructure Development and Flatted Factory Complexes by organizing 20 or more industries of similar value chain into clusters.

iv. Gramodyog Vikas Yojana (GVY) which has components such as Honey Mission and Kumbhar Sashktikaran Programme (KSP) promotes beekeepers and rural potters respectively by providing them with bee boxes, electric wheels, toolkits, training, etc. The scheme encourages production of quality products using local traditional knowledge.

v. Khadi Vikas Yojana: provides assistance to Khadi Institutions for development of Khadi and generation of employment opportunities in the country through marketing assistance, Interest subsidy, infrastructural support, capacity building, modernization of sales outlets, etc.

vi. Besides, to promote 'Vocal for Local', Khadi and Village Industries Commission (KVIC) has started making of Khadi Prakritik Paint using local material and knowledge. It has also launched a new e-commerce platform www.ekhadiindia.com for marketing of locally produced goods.

Third party evaluation for impact assessment of above schemes is done from time to time. Key findings of the evaluation report indicate that the schemes have been able to (i) provide sustainable employment to more than 5 lakh persons each year, particularly in the rural area, (ii) increase production capacity, income and employment in micro and small enterprises through cluster programme and (iii) provide assistance to rural and poor artisans in traditional industries through formation of collectives.

Ministry is implementing International Cooperation (IC) scheme to enhance the competency of MSMEs, capture new markets for their products, and explore new technologies for improving manufacturing capacity, etc. The scheme supports MSMEs by way of participation in international events for exploring export opportunities, access to international business networks, technology upgradation/modernization, improved competitiveness, awareness of better manufacturing practices etc.

This information was given by Union Minister for MSME Shri Narayan Rane in a written reply in Rajya Sabha today.

Source: pib.gov.in- Dec 06, 2021

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Truck freight rates stay firm during November despite diesel price cut

The November month saw truck freight rates stay firm, helped by increased cargo flow from factories and robust demand in the consumption sector despite a significant cut in diesel price.

An increase of 15-20 per cent in factory output due to increased consumer spending and peak marriage season coupled with shortage of truck fleet drivers during November helped truck rentals stay firm on trunk routes across the country.

This is despite a substantial cut in diesel price November 3, 2021 by ₹12-14 per litre, according to IFTRT (Indian Foundation of Transport Research and Training).

Source: thehindubusinessline.com- Dec 06, 2021

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Indo Count to acquire GHCL's home textile business

Home textiles manufacturer and exporter Indo Count Industries said it would acquire GHCL's home textiles business for ₹576 crore by way of a business transfer agreement.

The acquisition would be funded through a mix of internal accruals and debt and the transaction was expected to be completed by March next year, subject to necessary approvals and completion of condition precedents in the agreement, Indo Count said in a press release.

GHCL has a fully operational home textile manufacturing facility with an annual capacity of 45 million metres at Vapi in Gujarat, and has land to double the capacity in future, Indo Count added.

GHCL said in a separate statement that to have greater focus on its various businesses (chemicals and textiles), it was implementing a scheme to carve out its textile business into GHCL Textiles Limited. Meanwhile, it got an opportunity to "unlock value of its home textiles business".

The proceeds of the sale will be used to grow its core business of chemicals. The home textiles business would be transferred to Indo Count and the remaining textile business would be demerged into GHCL Textiles.

In line with the decision of a complete divestment of home textiles business, the company's U.S.-based subsidiary, Grace Home Fashions LLC, has also entered into an Asset Transfer Agreement for transfer of identified assets to Indo Count Global Inc., USA, a U.S. subsidiary of Indo Count.

Source: thehindu.com- Dec 06, 2021

HOME

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Fabcurate: One-stop fabrics shop for fashion houses

A multitude of fabrics, manmade and natural fibres, weaving and printing patterns determine the contours of the textile industry and what will be the trending fabric, colour or design next season is anybody's guess. In such a situation, bulk fabric suppliers have to be nimble-footed as well as house a mammoth range of materials. Fabcurate, a Surat-based online fabrics store which sells a variety of top-quality fabrics sourced from across the country, seems to have crafted the perfect template for this.

Garnering over 8,000 orders per month, it has cemented its position as the go-to destination for all types of fabrics, traditional as well as contemporary textile prints including Kalamkari, Ajrakh, Bandhani, Ikat, Batik, Bagru Dabu, Indigo, Tye & Dye, Banarasi, Kashish, Shibori, Bagh Print and more. "We are creating glorious art through fabrics," says Sanjay Desai, director, Fabcurate. "Fabric from 28 states is now available at a click."

This online fabrics store plans on processing around 2500 orders per day. "Textile business isn't any normal business, it's a new trend setter and is capable of bringing revolution in the world of fabrics," says Desai, adding, "Not just in India, we ship orders globally, and we want to make a statement that our fabrics and the kind of designs we offer are exactly what a generation like this needs."

Fabcurate's special focus has been traditional handlooms. By collaborating with the talented artisans in the handloom and textile community, it not only gives them a platform to show their talent, but also gives them an opportunity to push their creative potential and bring out their own version of the traditional heritage."We celebrate every artist from Tier 2 and Tier 3 cities," says Desai.

For bespoke fashion brands or independent designers, Fabcurate is a treasure house of fabrics. It doesn't just bring them a plethora of premium fabrics to choose from but also gives an opportunity to get custom fabric printed with their own design to create something totally unique. There is no minimum quantity restrictions on orders, and buyers can take the help of Fabcurate's Fabric Estimator to decide how much of the fabric is necessary and place the order. "Fabcurate exists to celebrate people who are devoted to fashion and style," says Desai, adding, "The environment is changing rapidly, and to keep up with it, we make affordable fabrics for every class of family."

Since July 2020, Fabcurate has witnessed a growth of 500% and aims to clock a revenue of more than Rs 50 crore in FY 2021-22. “We have seen growth in performance very rapidly, and expect this to continue. Increasing overseas orders is one way to improve sales,” he says.

Source: financialexpress.com- Dec 06, 2021

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Procurement centres set up in Andhra Pradesh to aid cotton growers

The Cotton Corporation of India (CCI) is operating 71 procurement centres in the state to assist the cotton growers.

The CCI said that for the 2021-22 season, they have opened 30 procurement centres besides 41 procurement points at notified ginning and pressing factories, said CCI Guntur branch manager G Sai Aditya.

He added the Centre has announced a minimum support price (MSP) of Rs 6,025 per quintal for the current season. This is the rate at which cotton is being purchased at the Adoni market at Rs 7,689 per quintal and this year, the highest amount paid to the farmers has been Rs 8,219 per quintal, Sai Aditya said.

“The CCI does not procure cotton that does not belong to the Fair Average Quality (FAQ) grade,” he sad. The CCI is particular about the procurement of FAQ grade cotton, which is determined by the moisture level, which should range between 8 per cent and 12 per cent. “If the moisture is above 12 per cent, the CCI will not procure it,” Sai Aditya asserted.

Further, the CCI does not procure immature cotton or those with red, yellow or black marks as such cotton is below the FAQ grade, he added. The rains have damaged the cotton crop this season, leaving the CCI unable to procure cotton in these places.

Source: timesofindia.com- Dec 07, 2021

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