TEXPROCIL NEWS CLIPPINGS
An ISO 9001:2015 CERTIFIED COMPANY
The Cotton Textiles Export Promotion Council (TEXPROCIL)
Engineering Centre, 5th Floor, 9, Mathew Road, Mumbai 400004. Maharashtra State. INDIA
W. www.texprocil.org E. ibtex@texprocil.org T. +91-22-23632910 to 12 F. +91-22-23632914

IBTEX No. 242 of 2021 December 13, 2021

US 75.69| EUR 85.52| GBP 100.30| JPY 0.67

NEWS CLIPPINGS

	NATIONAL NEWS
1	‘Time for quantum jump’: Piyush Goyal bats for $44 bn textile export in 2021-22
2	Textile industry goes on strike over GST
3	Revival of Exports
4	Shri Piyush Goyal launched the ‘Meghalayan Age’ store in New Delhi
5	Measures to Improve MSME Sector Exports
6	Quick Estimates of Index of Industrial Production and Use-Based Index for the Month of October, 2021 (BASE 2011-12=100)
7	Criteria Under ODOP
8	Anti-dumping duties doubled during peak Covid, WTO report shows
9	Duty relief for hundreds of products likely
10	Industrial output grew 3.2% in Oct
11	82 unicorns, $39bn funding & counting: Indian startups come of age
12	Forex reserves decline USD 1.783 bn to USD 635.905 bn
13	Cotton yarn prices fell 5-10% in 2 weeks in north India market
14	Ready for international fashion debut: Khadi on the Patagonia trail
15	Tamil Nadu Chief Minister Stalin announces Rs 1,242 crore worth of infrastructural projects
16	Mega textile park likely to come up in Virudhunagar: Minister
17	Mukesh Ambani's RIL, partner looking to buy bankrupt textile company Sintex

INTERNATIONAL NEWS

US bans Xinjiang cotton

The US has banned imports of products made with Xinjiang cotton.

The justification is that China oppresses minorities in this province and imposes forced labor and other forms of torture. Products made with Xinjiang cotton have been illegal in the US since January 2021. But nearly a year on, goods with tainted cotton are still reaching American consumers.

Dozens of intermediary manufacturers from Indonesia, Sri Lanka, Bangladesh, Vietnam, India, Pakistan, Kenya, Ethiopia, China and Mexico purchase unfinished cotton goods from Chinese manufacturers who source Xinjiang cotton.

Well-known international brands are supplied by those intermediaries and are thus at high risk of being seen as having Xinjiang cotton in their supply chains. But despite the US ban, exports of textiles and garments from Xinjiang increased by 53 per cent in the first nine months of the year 2021.

More than half of China's exports of cotton semi-finished products are destined for countries within Asia such as Bangladesh, Vietnam, Indonesia and Cambodia. About 85 percent of cotton grown in China is produced in Xinjiang, which amounts to 22 percent of global cotton production.

China has denied the existence of Xinjiang detainment camps or forced labor transfers, describing them instead as vocational centers and poverty alleviation programs.

Source: fashionatingworld.com– Dec 11, 2021

HOME

****

China's textile industry continues robust growth in Jan-Oct

China's textile industry continued steady expansion in the first 10 months of the year, data from the Ministry of Industry and Information Technology (MIIT) showed.

The combined operating revenue of major textile enterprises rose 14.2 percent year on year to top 4.13 trillion yuan (about 650.4 billion US dollars) during the period. These firms raked in total profits of 198.3 billion yuan, soaring 29.7 percent over one year earlier, according to the MIIT.

China's online retail sales of clothing products grew 14.1 percent year on year in the January-October period, hitting 3 percent average growth over the past two years. The country's garment and textiles exports rose 5 percent year on year to 256.5 billion US dollars in the period, with the exports of clothing products surging 25.2 percent to 138.9 billion dollars.

Meanwhile, China's Small and Medium Enterprises (SMEs) Development Index, based on a survey of 3,000 SMEs, rose 0.2 points from the previous month to 86.3 in November, the latest industry data showed.

The increase ended seven straight months of decline, but the current level is still lower than that in the same period of 2020 and 2019, according to the China Association of Small and Medium Enterprises.

The index contains multiple sub-indexes to gauge the performances and expectations of SMEs. A reading below 100 indicates dented vitality. In November, the sub-indexes for financing, labour force and operating costs remained above 100.

Source: nation.com.pk– Dec 13, 2021

HOME

****

UK economy barely grows as nation faces new restrictions

The United Kingdom's economy barely grew in October as construction activity slowed due to shortages of building materials and rising prices caused by shipping bottlenecks around the world.

The Office for National Statistics said Friday that gross domestic product increased by 0.1% from the previous month, below the forecast of 0.4% from a survey of economists. The U.K. economy remains 0.5% smaller than it was before the COVID-19 pandemic, the office said.

Construction output fell 1.8% in October, the biggest drop since April 2020, the agency said. Manufacturing output was flat.

Growth remained positive primarily because of an increase in demand for face-to-face medical appointments as COVID-19 restrictions eased and the government pressured doctors to see more patients in person. That drove a 0.4% increase in output from service industries, the statistics office said.

The data comes as the economy braces for renewed restrictions to slow the spread of the new omicron variant of the coronavirus. The government has called for people to again work from home and mandated COVID-19 passes for entrance into nightclubs and large events.

Weak growth in October and the more recent emergence of omicron mean hopes that either the health or economic pain of this crisis would be all over by Christmas have been dashed,? said James Smith, research director of the Resolution Foundation.

Source: financialexpress.com– Dec 10, 2021

HOME

****

China's WTO entry changes the rules of the game: Western expectations and China's impact-BBC News

At the end of 2001, two events shook the axis of the world.

The whole world's attention is focused on the direct consequences of 9/11. But just three months later, on December 11, the World Trade Organization became the center of an event that cast a strong shadow over the 21st century. Compared with the attack on the United States, it changed the lives of more people around the world. And livelihood.

However, few people know that this happened, let alone when it happened. China's accession to the World Trade Organization has changed the rules of the game in the United States, Europe, and most Asian countries. In fact, it has also changed the rules of the game in any country with industrial-value resources (such as oil and metals).

This is an event of great geopolitical and economic significance, but it has not attracted much attention. This is the root imbalance behind the global financial crisis. The domestic political reaction against the outsourcing of manufacturing jobs to China has caused repercussions in Western G7 countries.

The promise made by former US President Bill Clinton and others is that "introducing economic freedom, one of the most cherished values of democracy," will enable the world's most populous country to embark on the path of political freedom.

"When individuals not only have the ability to dream, but also have the ability to realize their dreams, they will need a greater say." He said.

But this strategy failed. China has begun to rise as the world's second largest economy, and it seems inevitable that it will become the world's largest economy.

In fact, Charlene Barshefsky, the U.S. Trade Representative responsible for negotiating China's WTO accession agreement, told a group of the Washington International Trade Association this week that China's economic model "to some extent refutes" Western views. "You cannot have innovative social and political control at the same time."

“This is not to say that China’s ability to innovate has been enhanced due to its economic model,” she said. “It means that systems that are considered incompatible in the West are not necessarily incompatible.”

Until 2000, China’s role in the global economy was mainly one of the world’s largest manufacturers of plastic products and cheap goods. Yes, it is important, but it can neither shake the world nor change the world.

China’s entry into the main table of world trade heralds a huge change in the world. The powerful combination of China’s active workforce, ultra-high-tech factories, and the special relationship between the Chinese government and Western multinational corporations has changed the face of the planet.

As China seamlessly integrates into the supply chains of the world’s major companies, a large number of cheap Chinese laborers have begun to produce goods that support the standard of living in the West. Economists call it a “supply shock,” and its impact is undoubtedly shocking. Its influence still reverberates all over the world.

China’s integration into the world economy has made notable economic achievements, including the elimination of extreme poverty. Before joining the WTO, China’s extremely poor population was 500 million, but now it is basically zero. Because in U.S. dollars, the total value of China’s economy has increased by 12 times. Foreign exchange reserves increased 16 times to reach 2.3 trillion US dollars, because the world’s goods purchased from Chinese factories are deposited in banks by the Chinese government.

In 2000, China was the world’s seventh largest exporter of commodities, but it quickly jumped to number one. China’s annual growth rate has reached 8%, reaching a very high level during the peak of the world’s economic prosperity, reaching a maximum of 14%, and stabilizing at 15% last year.
Container ships are an important force in global trade. Five years after China joined the World Trade Organization, the number of containers entering and leaving Chinese ships doubled from 40 million to more than 80 million. Ten years after China became a WTO member in 2011, the number of containers entering and leaving China more than tripled to 129 million.

Last year the figure was 245 million. Although half of the containers entering China were empty, almost all the containers leaving China were filled with export goods.

China's road network is also expanding on a large scale, increasing from 4,700 kilometers in 1997 to 161,000 kilometers in 2020, becoming the world's largest road network, connecting 99% of cities with a population of more than 200,000.

In addition to the most advanced freight infrastructure, China also needs materials such as metals, minerals and fossil fuels to support the prosperity of its manufacturing industry. Steel is an indispensable material for China's booming automobile and electrical appliances industries. In 2005, China became a net exporter of steel for the first time and has since become the world's largest exporter of steel.

Throughout the 1990s, China's steel production hovered at about 100 million tons per year. After joining the WTO, China's carbon emissions have surged to approximately 700 million tons by 2012, and will exceed 1 billion tons by 2020.

China's current steel production accounts for 57% of the world's total output, and its own steel production far exceeds the sum of other countries in the world in 2001. The same is true for tiles and other industrial materials.

In terms of electronic products, clothing, toys and furniture, China has become the main source of supply, depressing export prices around the world. Economists have noticed that after China's accession to the WTO, global prices have been hit. From 2000 to 2005, China's clothing exports doubled, and their share of global trade rose from one-fifth to one-third.

After 2005, production quotas in the textile industry were also cancelled, leading to the transfer of larger-scale production to China. However, as production costs in China increased and production moved to developing countries such as Bangladesh and Vietnam, the proportion dropped to 32% last year.

Long Yongtu, the former Minister of Commerce in charge of joining the WTO, reflected on the experience of the past 20 years. "I don't think that China's entry into the WTO (for the United States and the West) is a historic mistake that kills employment." He said, "However, I admit that this kind of distribution or income is uneven. The overall situation is that when China gets Development, it also provides a huge export market for other countries around the world."

But one thing is stingy, that is, American politics has failed to address the inevitable impact of Chinese competition on certain industries. “When the distribution of wealth is uneven, the government should take measures to adjust this distribution through domestic policies, but it is not easy to do.” Long Yongtu said.

“Maybe it’s easier to blame others, but I don’t think it can help solve the problem. Without China, American manufacturing will move to Mexico.”

Then he told the story of a Chinese glass manufacturer. The businessman encountered difficulties when he opened a factory in the United States. “It is difficult for him to find competitive workers there. He told me that American workers have bigger bellies than him.” Long Yongtu said.

So now we have gone around and are back to square one. China has achieved great economic success in the WTO. At present, the Biden administration does not seem to be eager to change the obstruction policy of its predecessor. Trade skepticism is very real. China’s use of WTO membership goes far beyond its intended role as a Western factory.

For example, it has strategically planned alliances to obtain a large amount of rare earth materials, which will promote a net-zero climate change economic revolution. It uses the power of the whole country to expand its industries all over the world. The United States is seeking to contain China diplomatically and economically, and therefore seek allies in Europe and Asia.

As the former U.S. Trade Representative Barshevsky said, China “has been on this very different path for some time. What does this mean? Large-scale subsidies to specific industries have strengthened a country-centric economic model. , China has re-emerged as a big country and the leader of the so-called Fourth Industrial Revolution. This is a difficult matter to deal with, and the WTO cannot deal with it.”

So 20 years later, a decision that was rarely noticed changed the world. This is a huge success for China. The geopolitical strategy of the West has failed. In fact, because of this decision, China has become more like the West not so much politically as the West has become more like China economically.

Source: thetimeshub.in– Dec 11, 2021

HOME

****

China's FDI inflow likely to top 1 trn yuan in 2021: Commerce ministry

Foreign direct investment (FDI) into the Chinese mainland, in actual use, is expected to surpass 1 trillion yuan ($157.49 billion) in 2021, according to a ministry of commerce spokesperson Gao Feng, who recently said that during the past two decades since China's accession to the World Trade Organisation, the country has achieved marked progress in the use of foreign investment.

The FDI inflow totaled 999.98 billion yuan in 2020, skyrocketing by 157.7 per cent from 338 billion yuan in 2001, Gao was quoted as saying by official Chinese media.

China will further shorten the negative list on foreign investment, facilitate services for foreign-funded enterprises and projects, and foster a law-based, international and convenient business environment to share its market opportunities globally, he added..

Source: fibre2fashion.com– Dec 13, 2021

HOME

****

Germany's November inflation rate reaches highest level in 2021

The inflation rate in Germany, measured as the year-on-year change in the consumer price index (CPI), stood at +5.2 per cent in November 2021, up from +4.5 per cent in the previous month, according to the country's Federal Statistical Office (Destatis). The consumer prices decreased slightly by 0.2 per cent in November, compared with October 2021.

"The inflation rate increased for the sixth time in a row and in November reached the highest level recorded in 2021 so far," said Dr. Georg Thiel, president of the Federal Statistical Office. "A higher inflation rate was last measured nearly 30 years ago. In June 1992 the inflation rate was +5.8 per cent."

The high inflation rates in the second half of 2021 is due to various reasons, including base effects due to low prices in 2020. The temporary value added tax reduction in the second half of 2020 and especially low prices of mineral oil products a year ago, which reached record lows in November, had an upward effect on the overall inflation rate.

In addition to the temporary base effects of the past, crisis-related effects such as delivery bottlenecks and marked price increases at upstream stages in the economic process – which are also reflected in the consumer price index – are becoming stronger.

Prices of goods (total) recorded an above average increase of 7.9 per cent from November 2020 to November 2021. Especially the rise in energy product prices (+22.1 per cent) was markedly higher than overall inflation. The rate of price increase regarding energy was up for the fifth month in a row (October 2021: +18.6 per cent).

Food prices were up 4.5 per cent in November 2021 compared with the same month of the previous year.

The year-on-year increases in energy and food prices had a clear upward effect on the inflation rate. Excluding energy prices, the inflation rate would have been +3.4 per cent in November 2021; excluding the prices of both product groups, it would have been +3.3 per cent.

Compared with October 2021, the consumer price index, however, fell by 0.2 per cent in November 2021. A major reason for the decrease was the seasonally lower package holidays prices (-21.6 per cent).

However, the prices of energy products were up (+1.8 per cent, including motor fuels: +3.0 per cent). Food prices increased, too (+0.5 per cent).

Source: fibre2fashion.com– Dec 11, 2021

HOME

****

Indonesian trade imbalance with South Korea persists

Trade between Indonesia and South Korea increased 29 per cent from January 2021 to September 2021 compared to the same period last year.

Much of Indonesia's textile exports are in the form of raw materials such as spun yarn which is later processed into cloth by the textile industry in South Korea. Finished goods processed in South Korea are sent back to Indonesia to meet the domestic market demand and some are re-exported to the United States and Europe.

Indonesia's textile trade balance with South Korea is expected to remain in deficit despite the Indonesia-Korea Comprehensive Economic Partnership Agreement (IK-CEPA) which comes into force next year.Under the agreement, South Korea will eliminate more than 95 per cent of its tariff lines and Indonesia will eliminate over 92 per cent and give preferential tariffs to support Korean investment.

CEPA will not only impact industries such as automobiles but also technology. CEPA will also facilitate exchanges of professionals in areas such as science, technology, software and robotics, promoting cooperation in high-tech industry.

However the implementation of the IK-CEPA will not have a significant effect on boosting the export performance of Indonesia's textile industry. The market structure created by South Korea has forced Indonesia to export raw materials.

Source: fashionatingworld.com– Dec 11, 2021

HOME

****

Vietnam: Textile and garment industry under "green" pressure

That is one of the main points given during a seminar on Vietnam's textile and garment industry co-hosted by the Vietnam Textile and Apparel Association (Vitas) and the WWF late last month.

According to speakers at the seminar, global clothing brands have shifted their priority to be in favor of "green businesses" when they place orders in Vietnam. Polluting manufacturers that do not put into use energy-saving solutions and plans to consume fewer natural resources may face a refusal of their products or a halt of new orders.

James Phillips, general director of the garment manufacturer TAL Vietnam, said more than 250 global fashion brands have set standards and codes of conduct responsible to the environment applicable to their suppliers of clothing items.

Vietnamese garment businesses are therefore expected to comply with green production, which will help them do business more effectively, generate higher profit and sustain growth rates. Garment factories are supposed to save energy and water, use environment-friendly materials and fulfill their corporate social responsibility.

Tran Nhu Tung, head of the Sustainable Development Board of Vitas, contended that the majority of enterprises involved in the garment supply chain formed by global fashion brands have adopted the "green" requirements for production, such as assuming their corporate social responsibility, being friendly to the environment and cutting emissions.

According to Mr. Tung, the compliance with the criteria on social responsibility and the environment set by the global brands remains a fundamental commitment to be made by garment factories when they engage in a production chain.

For the immediate future, the implementation of sustainable development criteria may be a challenge to local garment businesses because these criteria require huge investment and personnel. However, in the long run, argued Mr. Tung, the credibility and brand value of the business in question will be better.

Furthermore, such a business may later receive support from global clothing brands, international organizations and financial institutions.

“Businesses are compelled to be adaptive to changes to further develop,” said Mr. Tung, adding that aside from meeting requirements and criteria set by the global brands, “green” development also means a business itself has to be more responsible to the community and later generations when it comes to production.

Participants at the seminar argued also that in reality the compliance with sustainable production criteria at factories will both raise the number of new orders and facilitate more effective operations which help cut costs by using less energy and water.

Experts insisted that once an enterprise is regarded as having developed sustainably, it will create added value to the entire textile and garment industry of Vietnam. Global clothing brands will then treat Vietnamese enterprises differently and may shift more orders to the country.

Considering the many opportunities created by free trade agreements signed by Vietnam and her trading partners, the local textile and garment industry is being given a big chance. However, that comes with an enormous challenge to local businesses when they have to meet requirements for environmental protection and low emissions included in the free trade agreements.

To rise to the challenge, local textile and garment enterprises are gearing toward modern production lines and technology which opt for cleaner production, save more energy and improve competitiveness of their products. This is, however, more challenging to smaller companies whose financial capabilities are limited.

Some speakers said to give a facelift to Vietnamese textile and garment enterprises, in addition to efforts made by businesses themselves, support from the Government, financial institutions and global clothing brands is also indispensable.

Source: vietnamnet.vn– Dec 12, 2021

HOME

****

Bangladesh steps up yarn, fabrics export

Bangladesh has already conquered the international apparel market and is currently the second-largest exporter of garment items worldwide after China with a 6.8 per cent global market share.

Although Bangladesh depends on imports for cotton, a key raw material for textile, the country is fast becoming a major source for yarn and fabrics for textile and garment producers.

The shipment of the raw materials and intermediate goods is rising fast thanks to a government incentive.

Yarn, fabrics and waste yarn worth $80.48 million were exported from Bangladesh in the July to November period, registering a 38.73 per cent year-on-year growth, according to data from the Export Promotion Bureau.

Bangladesh shipped yarn and fabrics worth $154.29 million in the last financial year of 2020-21, up 15.52 per cent year-on-year.

Well Group, one of the yarn exporters, ships $7 million to $8 million worth of spun polyester yarn, synthetic, sewing thread and embroidery thread mainly to Turkey.

The same yarn that the company exports is also re-exported to some central Asian countries, said Syed Nurul Islam, chairman and chief executive officer of Well Group.

He said the government's incentive for new markets and products in 2009 inspired him and other local spinners and weavers to begin exporting yarn and fabrics after meeting the demand of local garment factories.

Envoy Group, a major fabrics and garment manufacturer, is another fabrics exporter that sells denim fabrics in Turkey, China, Vietnam, Sri Lanka, and India.

The company exports eight lakh yards of denim fabric per month, according to Kutubuddin Ahmed, chairman of Envoy Group.

"The prospects of denim yarn and fabric are very high as local spinners and weavers are producing a lot of yarn and fabrics and expanding their manufacturing capacity," he said.

"Exports of denim yarn and fabrics are growing," he said, adding that local entrepreneurs have installed a lot of denim fabric production capacity.

Well Group produces 1,000 tonnes of yarn a month and is planning to expand its capacity as the demand is rising, both locally and globally.

"The export of yarn and fabrics is not very profitable. The export incentive from the government has made the business viable," said Mohammad Ali Khokon, president of Bangladesh Textile Mills Association (BTMA).

Vietnam has recently agreed to buy yarn from Bangladesh. The garment producing country purchases one lakh tonne of yarn from India every year.

Similarly, textile millers and yarn and fabrics users in Turkey, South Korea, Egypt and Taiwan are lobbying with the BTMA to buy more yarn and fabrics from Bangladesh, Khokon said.

Local spinners and weavers are expanding their capacity to produce man-made fibres because of its growing demand.

In the next two years, Bangladesh's yarn production capacity will see an addition of 2.5 million spindles. Currently, 13.5 million spindles are used to manufacture textile raw materials, according to Khokon.

Source: thedailystar.net– Dec 13, 2021

HOME

****

Bangladesh's imports further rise on economic pickup

Bangladesh's imports increased further by volume and value both amid gradual economic pickup as well as higher import-payment obligation due to international inflation.

Official count on November imports shows the rise is particularly caused by higher purchase of fuel oils to meet a growing domestic demand amid expanding activity after the pandemic slowdown.

The settlement of letters of credit (LCs), generally known as actual import, in terms of value, rose by 5.16 per cent to US$5.54 billion in November 2021 from $5.27 billion in the previous month, according to the central bank's latest statistics.

On the other hand, the opening of LCs, generally known as import orders, increased 7.62 per cent to $6.06 billion in November from $5.63 billion a month before.

"The existing upward trend in import may continue in the coming months following the reopening of business activities across the country," a senior official of the Bangladesh Bank (BB) told the FE on Sunday.

He said higher prices of essential commodities, including petroleum products, on the global market also pushed up the country's import payments in recent months.

Actually, the country's foreign trade, covering import and export, increased significantly in recent months thanks to a gradual pickup in economic activities, both domestic and global, amid reopening after more than one year due to the Covid-19 pandemic.

Echoing the BB official's view, a senior executive of a leading private commercial bank (PCB) said that the existing trend in import-payment obligations may continue in the near future if the rising trend in petroleum products along with other commodities' prices on the global market persists.

Meanwhile, actual imports for fuel oils jumped by nearly 58 per cent or $208.59 million to $568.52 million in November from 359.93 million a month ago, the BB data showed.

Talking to the FE, a senior official of the state-run Bangladesh Petroleum Corporation (BPC) said import expense for petroleum products increased significantly in November following upturn in both price and quantity.

He also predicts that the existing trend in import-payment obligation for fuel oils may continue until March mainly due to seasonal impact.

The demand for fuels has been increasing in recent months as economies have started reopening gradually around the world, the official explained.

However, import under back-to-back LC settlement of textile products was almost stable at $616.19 million in the month of November against $622.64 million a month before as apparel exporters purchased their textiles products earlier in line with buyers' orders to avert price volatility on the global market.

"Imports under back-to-back LC may increase from January 2022 while apparel manufacturers are expected to start to get fresh purchase orders in the global market," Sayeed Ahmad Chowdhury, director, operations, of Square Denims, told the FE while explaining latest market situation.

He also predicts that the existing uptrend in export earnings will continue through this month despite falling trend in the textile products.

Import of capital machinery or industrial equipment used for production was up by more than 4.0 per cent to $361.59 million in November as against $346.40 million a month ago.

Higher capital-machinery imports were needed for apparel and clothing, pharmaceutical industries alongside implementation of different infrastructure-development projects, including metro rail, according to another BB official.

Source: thefinancialexpress.com.bd– Dec 12, 2021

HOME

****

NATIONAL NEWS

‘Time for quantum jump’: Piyush Goyal bats for $44 bn textile export in 2021-22

Exports account for 60% of the ₹55,000 crore Indian home textiles industry, which comprises products such as terry towels, bedsheets and spreads, pillow covers, curtains, rugs and carpets

Stating that India is showing signs of robust economic recovery, Union textile minister Piyush Goyal said on Friday that the country's target now should be to achieve $44 billion of textile exports in 2021-22.

“We can no longer be satisfied with small increments, its time for a quantum jump," said the minister.

Goyal was interacting with the leaders of the textile industry in India when he asserted that India has met all of its international service commitments, making it a “trusted partner of the world".

“The government is always open to consider all industry requirements to ensure that targets are achieved," said the minister, adding that Production-Linked Incentive (PLI) scheme for textiles and MITRA Parks scheme is going to benefit the industry in a big way.

“We aim to provide a conducive ecosystem to explore our competitive and comparative advantage. These include simplification of laws, reduction of compliance burden, RoSTCL&RoDTEP notified, etc," added Goyal.

He said that exporters must back the expectations of the nation with their effort, expertise and efficiency. "They should explore new markets."

He asked the participants and stakeholders to especially take care of small exporters and guide them.

Goyal had earlier in September asked the textile industry to aim for $ 100 billion exports in a quick time.

The minister had then said that the Centre is in talks with state governments to help businesses get land, power and other utilities at attractive rates to set up mega textile parks.

“I am sure nothing less than $100 billion will satisfy any of you and certainly will not satisfy the government led by Prime Minister Narendra Modi. He is a person with very high expectations from the textile industry," said Goyal.

Rating agency Crisil had said last month exporters of home textiles are set to report 20% surge in revenue in fiscal 2022.

Exports account for 60% of the ₹55,000 crore Indian home textiles industry, which comprises products such as terry towels, bedsheets and spreads, pillow covers, curtains, rugs and carpets.

Source: livemint.com- Dec 10, 2021

HOME

****

Textile industry goes on strike over GST

More than 4,000 textiles wholesale, retail shops and textile producers and merchants dealing with yarn in the district closed shutters on Friday as part of a one-day strike called for by the Erode Textile Merchants Association.

More than 4,000 textiles wholesale, retail shops and textile producers and merchants dealing with yarn in the district closed shutters on Friday as part of a one-day strike called for by the Erode Textile Merchants Association.

The strike was to protest against the increase in GST (goods and services tax) from 5 per cent to 12 per cent. President of Erode Cloth Merchants Association Kalaiselvan said the textile industry and its allied industries into weaving, dyeing, printing and textile trading are already facing problems of yarn price hike and pollution.

Now, he said, the hike in GST would affect the manufacturing and sale of textile goods. In order to draw the attention of the Union government to the GST, the textile industry went on strike, the association president said.

Source: economictimes.com- Dec 10, 2021

HOME

****

Revival of Exports

There are signs of revival of exports of the country. India's overall exports (merchandise and services) has increased by 39.74% in 2021-22 (April-October) as compared to the corresponding period of previous year.

In order to boost India's exports, the Government has taken several measures which include:

1. The mid-term review (2017) of the Foreign Trade Policy (2015-20) was carried out and corrective measures were undertaken.
2. Foreign Trade Policy (2015-20) extended by one year i.e. upto 31-3-2022 due to the COVID-19 pandemic situation.
3. Assistance provided through several schemes to promote exports, namely, Trade Infrastructure for Export Scheme (TIES) and Market Access Initiatives (MAI) Scheme.
4. A Central Sector Scheme –'Transport and Marketing Assistance for Specified Agriculture Products'–for providing assistance for the international component of freight to mitigate the freight disadvantage for the export of agriculture products.
5. Remission of Duties and Taxes on Exported Products (RoDTEP) scheme and Rebate of State and Central Levies and Taxes (RoSCTL) Scheme have been launched with effect from 01.01.2021.
6. Common Digital Platform for Certificate of Origin has been launched to facilitate trade and increase FTA utilization by exporters.
7. Promoting and diversifying services exports by pursuing specific action plans for the 12 Champion Services Sectors.

8. Promoting districts as export hubs by identifying products with export potential in each district, addressing bottlenecks for exporting these products and supporting local exporters/manufacturers to generate employment in the district.

9. Active role of Indian missions abroad towards promoting India's trade, tourism, technology and investment goals has been enhanced.

10. Package announced in light of the Covidpandemic to support domestic industry through various banking and financial sector relief measures, especially for MSMEs, which constitute a major share in exports.

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 Rajya Sabha today.

Source: pib.gov.in- Dec 10, 2021

HOME

****

Shri Piyush Goyal launched the 'Meghalayan Age' store in New Delhi

"World has not still seen the huge potential of the North-East," said Shri Piyush Goyal, launching the 'Meghalayan Age' store in New Delhi. Stating that the Mulberry Silk of Meghalaya besides Shawls, Bamboo, Handicrafts and various other unique products of the Northeast will have a huge market not only for visitors from India but also from across the world, the Union Minister of Commerce & Industry, Consumer Affairs, Food & Public Distribution and Textiles, Shri Piyush Goyal said, "the World is Your Stage."

Quoting Prime Minister Shri Narendra Modi that "India cannot develop until the North-East and Eastern parts of India come up to the level of Western and Southern India," Shri Goyal said, "he has, in his heart and in his commitment, such a deep passion for the development of the North-East and a better future for the people of the North-East that it is compulsive for all of us Ministers to focus our attention to see what more we can do for the North-East."

Lauding the "minimalist design" of the state's exclusive prime store in the heart of the national capital, Shri Piyush Goyal complimented the Chief Minister Shri Conrad Sangma for setting up the store that will provide the local artisans and more than 43,000 weavers of the state a window to showcase the rich culture, heritage, art and ethnic products of Meghalaya and the store will support the state's cottage industry.

"After seeing the wonderful work that our artisans, weavers, handicrafts persons are doing in Meghalaya, I can only say that what we are seeing is just a tip of the iceberg, potential is huge, your capabilities are bigger than that I can see, your capacities that you have demonstrated are immense," said Shri Goyal.

Dedicating the gathering present at the Meghalayan Age store launch last evening to the memory of CDS, General Bipin Rawat, Shri Goyal said he was a true KarmaYogi and passionate about making India great.

Source: pib.gov.in- Dec 10, 2021

HOME

****

Measures to Improve MSME Sector Exports

The details of percentage share of value of exports of Micro, Small and Medium Enterprises (MSME) related products in India's total exports during last three years and current year are:

Years	Export of MSME Related products (in US$ billion)	India's total Export (in US$ billion)	% Share of MSME related products to India's total Export
2018-19	158.76	330.08	48.10
2019-20	155.91	313.36	49.75
2020-21	143.99	291.81	49.35
2021-22 (April-September)*	90.80	198.26	45.80

Source: DGCI&S, Kolkata, * provisional.

The Government has undertaken several initiatives to promote and diversify exports from the Micro, Small and Medium Enterprises (MSME) sector which include:

1. Establishment of 52 Export Facilitation Centers (EFCs) across the country with an aim to provide requisite mentoring and handholding support to MSMEs in exporting their products and services to the foreign market.
2. Establishment of 102 Enterprise Development Centers (EDCs) with the aim to build a network of entrepreneurial leaders by providing professional mentoring and handholding support services to existing as well as aspiring MSMEs with special focus on rural enterprises on continuous basis. These EDCs act as "One-stop-shop" and provide services under components including Awareness, Incubation, Enterprise Facilitation etc.
3. International Cooperation Scheme for enhancing the marketability of products and services in the MSME sector. Under the scheme, organizations are facilitated for visit /participation of MSMEs in international exhibitions /trade fairs/buyer-seller meet etc. abroad and also holding International conferences/seminars/ workshops in India, for technology infusion, exploring business opportunities, joint ventures etc.
4. A comprehensive B2B Portal-MSME Mart has been introduced, which is a one stop digital solution to all business needs of MSMEs and aims

towards providing next generation services to MSMEs and make them competitive in a global market.

5. Enhance competitiveness through Cluster Development Programme for enhancing the productivity and competitiveness as well as capacity building of Micro and Small Enterprises (MSEs) to increase demand of domestic products in global markets.
6. A network of MSME Technology Centres (TCs) have been established which offer technological support and consultancy services to MSMEs. TCs are aligned to provide high end skill development training to provide industry ready manpower.
7. Financial support provided under International Cooperation (IC) Scheme for Technology infusion and/or up-gradation of micro, small and medium enterprises, their modernization and promotion of their exports through participation in international exhibitions/trade fairs etc.
8. Based on Mid-term Review of the FTP 2015-20 undertaken on 5th December, 2017, incentives for labour intensive / MSME sectors were increased.
9. Foreign Trade Policy (2015-20) extended by one year i.e. upto 31-3-2022 due to the COVID-19 pandemic situation.
10. Assistance provided through several schemes to promote exports, namely, Trade Infrastructure for Export Scheme (TIES) and Market Access Initiatives (MAI) Scheme.
11. A Central Sector Scheme –'Transport and Marketing Assistance for Specified Agriculture Products'–for providing assistance for the international component of freight to mitigate the freight disadvantage for the export of agriculture products.
12. Remission of Duties and Taxes on Exported Products (RoDTEP) scheme and Rebate of State and Central Levies and Taxes (RoSCTL) Scheme have been launched with effect from 01.01.2021.
13. Common Digital Platform for Certificate of Origin has been launched to facilitate trade and increase FTA utilization by exporters.
14. A comprehensive "Agriculture Export Policy" to provide an impetus to agricultural exports related to agriculture, horticulture, animal husbandry, fisheries and food processing sectors, is under implementation.
15. Promoting and diversifying services exports by pursuing specific action plans for the 12 Champion Services Sectors.
16. Promoting districts as export hubs by identifying products with export potential in each district, addressing bottlenecks for exporting these products and supporting local exporters/manufacturers to generate employment in the district.

17. Active role of Indian missions abroad towards promoting India's trade, tourism, technology and investment goals has been enhanced.
18. Package announced in light of the covid pandemic to support domestic industry through various banking and financial sector relief measures, especially for MSMEs, which constitute a major share in exports.

Certain sectors like Steel, Pharma and Chemicals have not been provided support under RoDTEP Scheme on account of budgetary considerations.

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 Rajya Sabha today.

Source: pib.gov.in- Dec 10, 2021

HOME

****

Quick Estimates of Index of Industrial Production and Use-Based Index for the Month of October, 2021 (BASE 2011-12=100)

The Quick Estimates of Index of Industrial Production (IIP) are released on 12th of every month (or previous working day if 12th is a holiday) with a six weeks lag and compiled with data received from source agencies, which in turn receive the data from the producing factories/ establishments.

2. For the month of October 2021, the Quick Estimates of Index of Industrial Production (IIP) with base 2011-12 stands at 133.7. The Indices of Industrial Production for the Mining, Manufacturing and Electricity sectors for the month of October 2021 stand at 109.7, 134.7 and 167.3 respectively. These Quick Estimates will undergo revision in subsequent releases as per the revision policy of IIP.

3. As per Use-based classification, the indices stand at 128.5 for Primary Goods, 90.3 for Capital Goods, 143.7 for Intermediate Goods and 151.8 for Infrastructure/ Construction Goods for the month of October 2021. Further, the indices for Consumer durables and Consumer non-durables stand at 125.6 and 149.5 respectively for the month October 2021.

4. Details of Quick Estimates of the Index of Industrial Production for the month of October 2021 at Sectoral, 2-digit level of National Industrial Classification (NIC-2008) and by Use-based classification are given at Statements I, II and III respectively. Also, for users to appreciate the changes in the industrial sector, Statement IV provides month-wise indices for the last 12 months, by industry groups (as per 2-digit level of NIC-2008) and sectors.

5. Along with the Quick Estimates of IIP for the month of October 2021, the indices for September 2021 have undergone the first revision and those for July 2021 have undergone final revision in the light of the updated data received from the source agencies.

The Quick Estimates for October 2021, the first revision for September 2021 and the final revision for July 2021 have been compiled at weighted response rates of 87 percent, 92 percent and 94 percent respectively.

6. Release of the Index for November 2021 will be on Wednesday, 12th January 2022.

Note: -
This Press release information is also available at the Website of the Ministry - http://www.mospi.gov.in
Press release in Hindi follows and shall be available at: https://www.mospi.gov.in/hi/web/mospi/home

Click here for more details

Source: pib.gov.in- Dec 10, 2021

HOME

****

Criteria Under ODOP

The Central Government has initiated the One District One Product (ODOP) in different States/UTs of the country. ODOP is seen as a transformational step towards realizing the true potential of a district, fuelling economic growth, generating employment and rural entrepreneurship, taking us to the goal of Aatmanirbhar Bharat. ODOP initiative is operationally merged with 'Districts as Export Hub' (DEH) initiative of the DGFT, Department of Commerce, with the Department for Promotion of Industry and Internal Trade (DPIIT) as a major stakeholder.

Under the DEH initiative, products and services with export potential have been identified in all district of the country on the basis of consultation with the States/UTs and other stakeholders in the district. The list of identified products and services is regularly updated on the basis of inputs received from States/UTs.

The data with respect to employment generation and investments attracted by the districts under ODOP initiative is not maintained centrally.

Under Districts as Export Hubs initiative, Institutional mechanisms in the form of State Export Promotion Committees (SEPCs) and District Export Promotion Committees (DEPCs) have been constituted in all the 36 States/UTs to provide support for export promotion and address the bottlenecks for export growth in the districts.

Districts Export Action Plans focus on identification of products and services for overseas markets, which include specific actions required to support local exporters/manufacturers in producing/manufacturing identified products in adequate quantity and with the requisite quality, for reaching potential buyers outside India, identifying and addressing challenges for exports of the such identified products/services, improving supply chains, market accessibility and handholding for increasing exports.

Districts Export Action Plans also design the strategies to promote export of the identified products and services in the districts. The plans include specific actions required to support local exporters/manufacturers in producing/manufacturing identified products in adequate quantity and with the requisite quality, for reaching potential buyers outside India. The plans also focus on the interventions required to provide ecosystem for innovation/ use of technology at the district level to make them export competitive. These plans also include identifying and addressing challenges for exports of such identified products/services, improving supply chains, market accessibility and handholding for increasing exports.

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 Rajya Sabha today.

Source: pib.gov.in- Dec 10, 2021

HOME

****

Anti-dumping duties doubled during peak Covid, WTO report shows

Countries, led by the US, India and China, doubled their use of anti-dumping measures in the pandemic period (July 2020-June 2021) against cheap inflow of certain goods, such as steel and chemicals, but most nations demonstrated restraint in the imposition of new trade restrictive measures related to the pandemic, numbers collated by a recent WTO report show.

Fall in demand

Experts say that the sharp increase in anti-dumping measures is mainly due to a fall in demand in the exporting country caused by the pandemic leading to unutilised capacities and lowering of export prices.

The WTO allows imposition of anti-dumping measures in the form of additional duties on items that are imported at prices lower than in the home country of the exporter. A country imposing anti-dumping duties has to also establish that the dumping of the item is causing injury to the domestic producers in the importing country.

In the July 2020-June 2021 period, the US imposed 59 anti-dumping measures, up from 29 a year ago, India imposed 32 up from 9 and China imposed 28 compared to 10 measures the year before, according to the WTO Director-General's annual overview report on trade-related developments.

A total of 213 anti-dumping measures were imposed by all members in the July 2020-June 2021 period compared to 118 in the year-ago period. In 2020, a total of 433 remedial actions were initiated, which included 355 anti-dumping actions, and they were mostly in sectors including organic chemicals, iron and steel and plastics.

"The sharp increase in anti-dumping measures is surely emanating from the pandemic as it has created excess capacities in several sectors with falling demand.

When there are huge unutilised capacities and demand takes a hit, prices go down and manufacturers tend to export their products at low prices," explained FIEO Director General Ajay Sahai. Hence, it is easier to establish that dumping has taken place and take measures against it.

However, members have shown restraint in their use of new trade restrictive measures related to the pandemic during the review period and are supporting the recovery by continuing to roll back restrictions adopted earlier in the crisis, the report said.

As of mid-October 2021, 205 Covid-19-related trade facilitating measures with an estimated trade coverage of $112 billion are still in force compared to 56 trade-restrictive measures with an estimated trade coverage of $92 billion, it added.

Many economic support programmes for Covid relief have been phased out or adjusted to take into account new circumstances and to prepare for the post-pandemic recovery. "The monitoring of non-Covid-19 trade measures reveals that fewer restrictions were put in place during this period. However, the stockpile of previous trade restrictions remains large," the report stated.

Source: thehindubusinessline.com- Dec 12, 2021

HOME

****

Duty relief for hundreds of products likely

India has zeroed in on more than 1,000 products across sectors, including textiles & garments, gem & jewellery, leather, spices, engineering goods, chemicals and poultry, where it wants duty concessions from the UAE under a proposed free trade agreement (FTA), sources told FE.

New Delhi and Abu Dhabi held the third round of FTA negotiations from December 6 to 10. They have hammered out broad contours of the deal and are giving final touches to it, said an official source. It would be the first FTA to be signed by India in over a decade.

While the UAE, India's third-largest export destination, currently slaps a 5% duty on textiles & garments and jewellery, certain steel products are taxed at 10%. These three segments alone made up for 34% of India's $16.7 billion exports to the UAE last fiscal and 43% in the pre-pandemic year of FY20.

The UAE has also prohibited poultry imports from India on concerns of bird flu. Seeking the lifting of the ban, New Delhi has highlighted that it has been strictly adopting the safety norms stipulated by the World Organisation for Animal Health.

For its part, Abu Dhabi, too, has drawn up a long list of products, including in food items such as dates and confectionary, where it's pressing for duty concession.

Both the sides started formal negotiations for a comprehensive economic partnership agreement (CEPA), as the FTA is formally called, in New Delhi from September 23. They aim to wrap up talks by December and sign a deal by March 2022 following due processes of ratification.

Prime Minister Narendra Modi may declare the CEPA when he visits the UAE, possibly in January, said the sources.

The India-UAE FTA is expected to raise bilateral merchandise trade to $100 billion in five years following the signing of the pact from about $43 billion in FY21. It also aims to more than double bilateral services trade to $15 billion during this period.

In services, as FE has reported, both the sides might clinch a deal on labour-intensive sectors, which would ensure freer movement of skilled professionals. This is expected to boost job creation in both the countries and spur multifarious economic activities.

The negotiations with the UAE are a part of India's broader strategy to forge "fair and balanced" trade agreements with key economies and revamp existing pacts to boost trade. The move gained traction after India pulled out of the China-dominated RCEP talks in November 2019. India is also engaged in talks with Australia, the UK and the EU for FTAs.

Balanced FTAs will enable the country to achieve sustained growth rates in exports in the coming years. Already, India has set an ambitious merchandise export target of $400 billion for FY22, against $291 billion in FY21.

The UAE was India's second-biggest goods export market until FY20, behind only the US, before China pipped it in FY21 when the pandemic caused severe trade disruptions.

India's major exports to the UAE include petroleum products, precious metals, stones, gems and jewellery, textiles and garments, food items, engineering goods and chemicals. Its main imports from the UAE include petroleum and petroleum products, precious metals, stones, gems and jewellery, minerals, chemicals and wood and wood products.

Source: financialexpress.com- Dec 13, 2021

HOME

****

Industrial output grew 3.2% in Oct

Experts term growth fragile

Industrial production grew by 3.2 per cent in October, the government reported on Friday. However, experts feel that the growth has been fragile and did not get much boost from festival demand.

Industrial growth based on Index of Industrial Production (IIP) in September grew by 3.3 per cent. It recorded a growth of 4.5 per cent in October last year.

Commenting on the growth number, Devendra Kumar Pant, Chief Economist with India Ratings & Research (Ind-Ra), said that despite 25.3 per cent growth in GST collection and 7.5 per cent growth in core infrastructure sectors, October's industrial growth was impacted by the base effect. "The IIP growth has been very fragile and even festive demand was not able to uplift IIP growth in October. A contraction of 6.1 per cent for consumer durable and 0.5 per cent growth in consumer non-durable are testimony of weak demand conditions in the economy," he said.

Capital goods production down

Worrying trends are also emerging on the investment front with capital goods production declining 1.1 per cent in October. Only primary goods (9 per cent) and infrastructure/construction goods (5.3 per cent) provide some support to growth. Overall industrial output is still below pre-Covid level, 99.6 per cent of February, 2020, he said.

Aditi Nayar, Chief Economist with ICRA termed the growth as stable yet tepid with the festive season boost being negated by the supply side issues afflicting the auto sector, as well as a higher base. The disaggregated data does not provide convincing signals of the recovery becoming durable and broad-basing further, with capital goods and consumer durables reporting a YoY (Year-on-Year) contraction in October.

Even as the ongoing supply challenges in the auto sector persisted, the YoY performance of several other high frequency indicators deteriorated in November, including electricity demand, GST e-way bills, port cargo traffic etc. suggesting that economic activity lost steam after the festive season ended, with a satiation of pent-up demand.

Accordingly, “the IIP growth may print sub-3 per cent in the just-concluded month, in spite of the low base (-1.6 per cent in November),” she said.

Pant felt that industrial output is likely to follow the same trend as observed in periodic labour force survey and weak private final consumption expenditure depicted in 2QFY22 GDP numbers. “Omicron could be a disruptor in coming months. Expect a weak set of IIP numbers in rest of FY22,” he said.

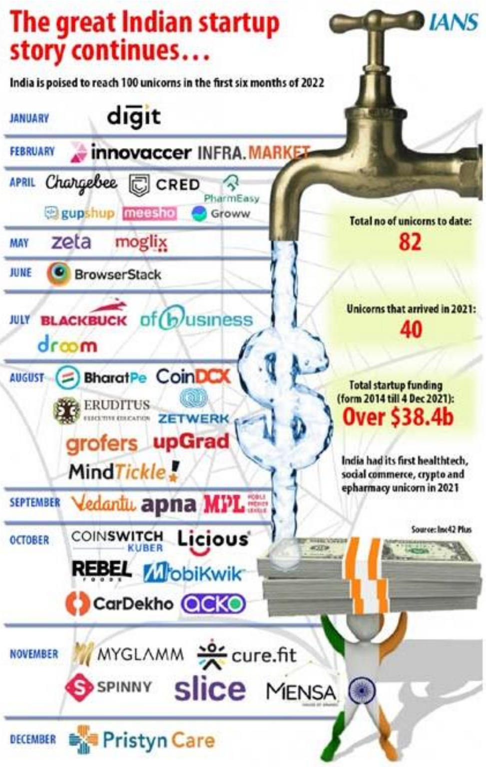
Source: thehindubusinessline.com- Dec 10, 2021

HOME

****

82 unicorns, $39bn funding & counting: Indian startups come of age

As we celebrate the phenomenal rise of the Indian startups, especially in the last two years, a number of global macro-economic factors served as tailwinds to help achieve this feat.



The global pandemic resulted in a digital transformation and adoption of technology at a societal level. Moreover, tech sector regulatory changes/crackdowns in China, availability of large pools of private capital were all positive factors for the Indian startup ecosystem to grow and produce a record 40 unicorns in 2021 alone.

Today, India has 82 unicorns with a total funding of over $38.4 billion (from 2014 till December 4, 2021), according to data provided by leading startups publication Inc42.

India emerged as the third largest startup ecosystem in the world this year, after the US and China, according to Hurun Research Institute.

In the third quarter (Q3) this year, Indian startups received record fundings, with investment totalling $10.9 billion across 347 deals, according to the PwC India. India's unicorns are currently worth more than $168 billion.

The last two years witnessed the coming of age of the Indian startup ecosystem. The two seminal events that served as distinct markers of this were the IPOs of food delivery platform Zomato headed by Deepinder Goyal and software-as-a-service (SaaS) provider Freshworks run by Girish Mathrubootham.

"Another factor that contributed to making the Indian startup ecosystem click was startups truly turning into an asset class. This resulted in the sector attracting interest and capital from a larger and diverse pool of investors, including retail — the subscription levels of PolicyBazaar, Nykaa, et al stand testament to this," Sijo Kuruvilla George, Executive Director, Alliance of Digital India Foundation (ADIF), told IANS.

According to K.R. Sekar, Partner, Deloitte India, the demand and customer base for India is huge and an improved network and better telecom policy will further pave the way for the growth of startups.

"The IPO market is also booming in India and a lot of unicorns are planning for IPO, both in India and the US. The government has also addressed some of the teething challenges on direct tax on startups. However, the success of startups and growth is dependent not only on the market, but also on the policies of the government," Sekar said, adding that the government should further relax the regulatory compliances and make India more attractive for investment in startups.

Going forward, SaaS-based EV and Blockchain startups can herald further momentum for the ecosystem in 2022.

According to Kushal Nahata, CEO and Co-founder of SaaS startup FarEye, the firms have started adopting technologies like SaaS solutions that provide much-needed agility and speed to fulfil the ever-changing demands of the customers.

"SaaS has also become a hot category for investors so there is an availability of a lot of capital. This along with the pandemic-driven surge in e-commerce, the rapid shift of businesses to online and the need for innovation has caused the Indian startup ecosystem to explode," Nahata told IANS.

Over the past five years, the number of software-as-a-service (SaaS) firms have doubled in India and SaaS firms in the country are poised to reach $30 billion in revenue by 2025.

India now has 13 SaaS unicorns and between seven and nine companies with over $100 million in annual recurring revenue (ARR). The investments in Indian SaaS companies rose to $4.5 billion in 2021 — an increase of 170 per cent from 2020, according to management consulting firm Bain & Company.

"Our aim is to empower businesses to provide Amazon Prime-like delivery experience and redefine how products are delivered across diverse logistics networks," said Nahata.

Niraj Singh, Founder and CEO of used car retailing platform Spinny that has become the youngest unicorn, said the pace of growth is at an all-time high with innovation and technology leading the way to find solutions for every problem and every smart idea is invested in today.

“This has grown significantly in the last couple of years, especially during the pandemic as, people seek better options to meet their needs and value purpose and quality service. There is a sea of opportunities with the ongoing momentum in the startup ecosystem in India,” Singh told IANS.

Although massively under-penetrated when compared to the US and China, online penetration of food services market, especially e-grocery, in India is set to grow two times by 2025 with the right tailwinds — it is likely to clock a gross merchandise value (GMV) of $13 billion, according to RedSeer.

Shan Kadavil, CEO and Co-founder, FreshToHome, told IANS that in the sub-segment of e-grocery, they have seen a huge shift in consumer behaviour who trust brands that give hygienic, direct from the source food products free of chemicals.

“Our business growth of nearly 5x in the last two years is a testimony to how the startup ecosystem has fared in India in the recent years,” he said.

“The pandemic was a watershed moment in accelerating the shift towards online purchase habits and digitisation across all industries in India,” he added.

Kunal Shah, Founder of CRED, said that for the next round of growth, one needs to work towards driving the participation of women in the workforce.

“The GDP expansion and building a robust startup ecosystem is much harder when half the population doesn’t work. To make this happen, we need to introduce interventions across education, opportunities, and social/financial support for women to join the workforce,” Shah emphasised.

Source: telanganatoday.com- Dec 12, 2021

HOME

****

Forex reserves decline USD 1.783 bn to USD 635.905 bn

India's foreign exchange reserves declined for the second consecutive week, ending USD 1.783 billion down at USD 635.905 billion for the week ended December 3, RBI data showed on Friday.

In the previous week, the reserves had slid by USD 2.713 million to USD 637.687 billion.

In the reporting week ended December 3, the dip in the forex kitty was mainly on account of a decline in foreign currency assets (FCA), a major component of the overall reserves.

The FCA dropped by USD 1.483 billion to USD 573.181 billion in the reporting week, the data showed.

Expressed in dollar terms, the foreign currency assets include the effect of appreciation or depreciation of non-US units like the euro, pound and yen held in the foreign exchange reserves.

Gold reserves were down by USD 407 million to USD 38.418 billion.

The special drawing rights (SDRs) with the International Monetary Fund (IMF) were up by USD 90 million to USD 19.126 billion.

The country's reserve position with the IMF also increased by USD 17 million to USD 5.18 billion in the reporting week, as per the data.

Source: financialexpress.com- Dec 10, 2021

HOME

****

Cotton yarn prices fell 5-10% in 2 weeks in north India market

Cotton yarn prices in north India have declined by about 5-10 per cent during the last two weeks. This is in line with the drastic fall in cotton price in the domestic and international markets due to the fear of spread of Omicron variant of COVID-19. The easing of cotton yarn prices has encouraged demand from downstream industries of textile sector.

When discovery of the Omicron variant was announced by the South African scientists in the last week of November, the initial panic dampened the demand for cotton and market sentiments in general. There was a sense of worry that the new variant would hamper global economic recovery and can lower the demand in the textile sector.

As a result of this probable lower demand for cotton, New York cotton witnessed a sharp fall. ICE March Cotton settled at US cent 106.72 a pound Wednesday night, compared to price of above US cent 122 before the Omicron variant.

In India, prices of the benchmark Shankar-6 cotton variety declined to ₹65,000-65,600 per candy of 356 kg. In the north Indian state of Punjab, the price of J-34 (RG 37-28.5 mm) cotton was quoted at ₹61,700-61,950 per candy on Thursday, according to Fibre2Fashion's market analysis tool TexPro. In Haryana, cotton of the same variety was sold at a lower price of ₹60,446-60,732 per candy, according to a source.

Cotton yarn prices in India were under pressure due to declining trend in cotton prices in the international and domestic markets. Suresh Gupta, a Delhi-based trader and patron of Delhi Cotton Yarn Merchants Association said, "During last 15 days, cotton yarn prices have fallen by about 5-10 per cent in Delhi market. Cotton yarn of 30 count (combed) is being sold at ₹325-345 per kg, and 40 count combed yarn at ₹360-380 per kg in Delhi market. Cotton yarn of 30 count (carded) was quoted at ₹295-315 per kg, and 40 count carded yarn at ₹330-350 per kg.

In Ludhiana, a knitwear hub in north India, 20 count combed yarn is being sold at ₹320-330 per kg, 25 count combed yarn at ₹325-335 per kg, 30 count combed yarn at ₹330-340 per kg, and 30 count carded yarn is being sold at ₹290-300 per kg.

Ludhiana-based trader Surinder Kumar Jain says that for the last two weeks, there has been a downward trend in the price of cotton yarn. On Wednesday itself, the prices softened by ₹2-3 per kg.

Traders say that the demand for cotton yarn has improved due to the fall in the price of cotton, and these days the demand is stronger in most of the markets of North India.

Source: fibre2fashion.com- Dec 10, 2021

HOME

****

Ready for international fashion debut: Khadi on the Patagonia trail

Khadi, considered the national fabric of India by many, is set to make its international fashion debut.

US outdoor apparel and gear retailer Patagonia Inc has bought 30,000 metres of khadi denim fabric from India, Vinai Kumar Saxena, chairman of Khadi and Village Industries Commission (KVIC), told ET.

The California-based firm, which has hundreds of stores around the world, sourced the fabric worth ₹1.08 crore from Gujarat through the Arvind Mills-KVIC tie-up after a third-party certified that all 'ethical standards' were met in the manufacture.

The order was executed over 12 months, until October 2021.

KVIC had signed an agreement with Arvind Mills in July 2017 to trade khadi denim products around the world. Following that, Arvind Mills has been purchasing khadi denim fabric every year from KVIC-certified khadi institutions of Gujarat, said KVIC officials.

The deal was set in motion when a Patagonia team visited Udyog Bharti, a khadi institution at Gondal in Rajkot to see the manufacturing process of khadi denim. Satisfied with the denim quality, the team placed orders for four types of denim fabric, which is made of 100% cotton and with width ranging from 28 inches to 34 inches.

The purchase order was effected, however, only after Patagonia had run a third-party check on 'ethical standards' through US-based assessor NEST.

The NEST seal is an assurance to consumers that the item purchased has been 'ethically handcrafted in a home or a small workshop'.

This is for the first time that a khadi institution in the country has been assessed and certified by an international independent assessor for meeting ethical standards of its operations.

Source: economictimes.com- Dec 12, 2021

HOME

****

Tamil Nadu Chief Minister Stalin announces Rs 1,242 crore worth of infrastructural projects

Tamil Nadu Chief Minister M K Stalin on Saturday announced Rs 1,242 crore worth of infrastructure schemes for Salem district, including underground drainage system, amenities for additional drinking water supply, a flyover and a textile park.

Inaugurating several completed projects, distributing welfare assistance to beneficiaries and laying foundation stone for new initiatives, all worth over Rs 261 crore, Stalin said he would visit the district again and again and continue to monitor all the initiatives.

Two State-wide schemes, 'Nammakku Naame Thittam (NNT),' and 'Nagarpura Velai Vaippu Thittam (NVVT)," were rolled out here by him.

The announcement on initiatives at an estimated cost of over Rs 1,000 crore includes underground sewerage system in Salem Corporation areas that do not have the facility at a cost of Rs 530 crore and spread over about 520 kilometers.

At a cost of Rs 158 crore, a programme would be taken up for ensuring uninterrupted supply of drinking water here, including work for additional drinking water supply, Stalin said in his address at a State event held at Seelanayakkanpatti here.

Development of lakes, a rail-over-bridge at Ammapettai here, a sports stadium, upgradation of roads were among the other announcements.

"An integrated textile park will soon come up in Salem for industrial growth and for creating more job opportunities. A software park will also be set up at Karupur. This is the first phase, a beginning and many more schemes are set to come up in a phased manner." Further, the Chief Minister, in an indirect reference to the previous AIADMK regime, said,"There was a government, I do not like to talk politics and there is no necessity for it."

Stalin reiterated that his government worked for the welfare of all sections of the people across the State irrespective of whether they voted 'for us' (the DMK) or not. Also, there is absolutely no discrimination, be it on the basis of a district or a particular industry.

The aim is uniform growth across the State and several schemes were being implemented in all the districts, he said and listed projects implemented here by the previous regimes led by his party, including the Salem Steel Plant.

Salem is the home district of former Chief Minister K Palaniswami and the western region of Tamil Nadu is seen as the stronghold of the main opposition party, the AIADMK.

Additional school, hospital buildings, small bridges and check dams were among the completed projects that were inaugurated.

Housing scheme for medical officers (Edapadi Taluk), office-cum-residential complex for revenue department (Peddanaikanpalayam), over a lakh saplings-planting initiative under the Mahatma Gandhi National Rural Employment Guarantee Act scheme were among the projects for which a foundation stone was laid.

Welfare assistance for beneficiaries include allotment of 37 tenements under the urban livelihood mission, Rs 3.34 lakh worth of assistance to 62 people by the backward classes and minorities welfare department, and an order for a Rs 2.88-crore grant for entrepreneurial initiatives by educated youth.

The NNT is a scheme revived by the government, first introduced during the 1996-2001 DMK regime, and is now implemented at a cost of Rs 300 crore across the State.

This initiative is aimed at implementation of a slew of projects, including those for building and upgrading civic infrastructure and rejuvenation of water bodies, all with community participation. The NVVT is aimed at creating job opportunities for the urban poor and implemented across the State at an estimated cost of Rs 100 crore.

Source: financialexpress.com- Dec 11, 2021

HOME

****

Mega textile park likely to come up in Virudhunagar: Minister

'Tamil Nadu has attracted 60,000 crore industrial investment in the last six months'

The Tamil Nadu Government was taking all efforts to bring a mega textile park sponsored by the Union Government to Virudhunagar district, said Minister for Industries Thangam Thennarasu.

Speaking at the special loan campaign organised by the Tamil Nadu Industrial Investment Corporation (TIIC) here on Sunday, Mr. Thennarasu said that Chief Minister M. K. Stalin has already announced setting up of an apparel park at the SIPCOT industrial estate in Pattampudur in the district.

"The Centre has announced setting up seven textile parks in the country. Given that textile industry is the core strength of Tamil Nadu, we have proposed to set up the textile parks at Virudhunagar, Sivaganga and Dharmapuri districts," he said.

He added that Sivakasi, which is known for fireworks, textile and printing industry, has a huge opportunity to set up defence manufacturing units as Tamil Nadu has been announced as a defence manufacturing corridor.

Stating that Tamil Nadu has attracted 60,000 crore industrial investment in the last six months, Mr. Thennarasu said that the efforts of the Chief Minister was to make Tamil Nadu numero uno in industrial sector and generate more employment opportunities.

Revenue Minister K. K. S. S. R. Ramachandran said that Tamil Nadu was providing an entrepreneur-friendly environment to set up more industrial units with lot of subsidy and financial assistance.

The Chief Minister, who introduced a separate budget for agriculture sector, has a long-term vision on developing the industrial sector with an transparent administration.

The Ministers distributed order sanctioning loan to the tune of ₹680.70 lakh to eight industrial units, cheque for loans to the tune of ₹109.98 lakh to five unites and also got applications seeking loans to the tune of ₹1,026.30 lakh from 12 units.

The Additional Chief Secretary and Chairman and Managing Director of TIIC, Hans Raj Verma, said that they would make the industrial units in the State compete at the global level and TIIC will do all hand-holding for the same.

Virudhunagar Collector J. Meghanath Reddy said that Tamil Nadu was thinking at least 10 years ahead of all other States. Two years after Independence, Tamil Nadu had formed TIIC with a vision of industrial development, he pointed out.

MLAs, A.R.R. Srinivasan and A.R.R. Raghuraman, District Revenue Officer R. Mangalaramasubramanian, General Manager, TIIC, Kirubakaran, secretary of Virudhunagar District Tiny and Small Scale Industries Association, Durairaj, Chairman of The Institute of Chartered Accountants of India, Southern India Region, K. Chalapathi, and various industrialists took part.

Source: thehindu.com- Dec 12, 2021

HOME

****

Mukesh Ambani's RIL, partner looking to buy bankrupt textile company Sintex

Mukesh Ambani's Reliance Industries Ltd., along with a partner, are among those bidding to take over bankrupt Indian textile firm Sintex Industries Ltd., according to a stock-exchange filing, as the billionaire attempts to diversify from an oil empire and into telecommunications, green energy and fashion.

Reliance is partnering with Assets Care & Reconstruction Enterprise Ltd. to bid for the company under a court-appointed bankruptcy resolution process, Sintex said in a filing on Sunday.

Other bidders are Easygo Textiles Pvt., GHCL Ltd., and Himatsingka Ventures Pvt., which is working with Shrikant Himatsingka and Dinesh Kumar Himatsingka.

The move by Ambani, whose companies this year purchased intellectual property rights to use the iconic Lee Cooper brand in India and stakes in high-end fashion brands run by stylists to some of Bollywood's biggest stars, is only the second time Reliance has shown interest in an insolvent company. Sintex provides fabric to global fashion brands including Armani, Hugo Boss, Diesel and Burberry, according to an Economic Times report in October.

Besides acquiring marquee Bollywood brands and assets abroad in recent years, Reliance has also forged partnerships with numerous luxury international names, including Burberry Group Plc, Hugo Boss AG and Tiffany & Co.

Source: livemint.com- Dec 10, 2021

HOME

****