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## NEWS CLIPPINGS

### INTERNATIONAL NEWS



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SAYING NO TO CHILD LABOUR

# INTERNATIONAL NEWS

## China’s garment exports up five per cent from Jan to Oct ’21

China’s garment and textile exports rose five per cent from January 2021 to October 2021 reveals Ministry of Industry and Information Technology (MIIT). In the same period, exports of clothing products surged 25 per cent. The combined operating revenue of major textile enterprises rose 14.2 per cent. Profits rose 29 per cent over one year earlier. China’s online retail sales of clothing products grew 14.1 per cent in the January to October period, hitting a three per cent average growth over the past two years.

Over two years China's technical textiles industry has grown by 12 per cent. From January to September 2021 production of nonwovens and cord fabric was down 1.01 per cent and up 29 per cent respectively. The operating income of enterprises in the technical textile industry decreased by 14.74 per cent with an average increase of 10.78 per cent in the past two years. Their total profit dropped by 63.78 per cent year on year, seeing an average increase of 14.12 per cent in the past two years. The operating profit margin reached 5.25 per cent, seeing a year-on-year decrease of 7.11 percentage points. The operating income of 31 listed companies in the third quarter fell by 1.15 per cent and their total profits declined by 33.59 per cent.

Source: fashionatingworld.com– Dec 14, 2021

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# Bangladesh yarn exports up 15 per cent

Bangladesh's exports of yarns and fabrics are up 15.52 per cent. Shipment of raw materials and intermediate goods is rising fast. Exports of yarn, fabrics and waste yarn were up 38 per cent from July 2021 to November 2021 Export Promotion Bureau. Spinners and weavers in Bangladesh are exporting yarns and fabrics after meeting the demands of domestic garment factories.

Vietnam recently agreed to buy yarn from Bangladesh. The garment producing country purchases one lakh tons of yarn from India every year. Similarly, textile millers and yarn and fabric users in Turkey, South Korea, Egypt and Taiwan are planning to buy more yarns and fabrics from Bangladesh. So spinners and weavers are expanding their capacity to produce manmade fibers because of the 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.

Bangladesh has already conquered the international apparel market and is currently the second-largest exporter of garment items worldwide after China, with a six per cent global market share. Although Bangladesh depends on imports of cotton, a key raw material for textiles, the country is fast becoming a major source for yarn and fabrics for textile and garment producers.

Source: fashionatingworld.com – Dec 14, 2021

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# No objection in yarn import through Bhomra, Sonamasjid ports: BTMA

The Bangladesh Textile Mills Association (BTMA) on Tuesday said it has no objection to yarn import through Bhomra and Sonamasjid land ports, expressing solidarity with a demand by the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

The announcement by the organisation of textile owners' marks a significant change from its previous position on the issue, when it repeatedly objected to importing the essential raw material for textile production through any other ports except Benapole land port.

However, leaders of organisations demanded that the ports need to install measuring machines provided by them and employ skilled manpower to ensure the right yarn is being imported.

Meanwhile, rejecting a separate demand by BGMEA leaders, the BTMA said no partial import can be allowed against the same letter of credit (LC) and all yarns have to be imported at the same time.

BTMA president Mohammad Ali Khokon made the announcements at a meeting with top officials of the National Bureau of Revenue (NBR) at NBR's building in the capital's Segunbagicha on Tuesday.

The meeting also demanded the removal of other bottlenecks in textile materials import, including revoking the condition of obtaining a bond license to import raw materials such as cotton, man-made fibre and other yarns. It also called for measures to prevent misuse of power by customs officials in issuing HS code (product identification number) on import of machine spare parts.
However, no decision has been taken by the NBR on these issues.

"We have heard various proposals from BTMA but no decision has been taken," a senior NBR official, who attended the meeting told The Business Standard on condition of anonymity, NBR Chairman Abu Hena Md Rahmatul Muneem presided over the function.

The price of yarn has been rising in the country for the last 10 months. To make it easier to import yarn, BGMEA has been demanding for yarn to be imported through other ports alongside Benapole, and that partial import is allowed against the same LC.

But BTMA has been opposing these demands till now, arguing this could lead to widespread irregularities and damage local textile mills.

Source: tbsnews.net– Dec 14, 2021 HOME

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# DP World and Uzbekistan sign deal to boost trade and develop digital infrastructure

Dubai's DP World, one of the largest port operators globally, signed a framework agreement with Uzbekistan to expand its presence in the Central Asian country in a move that will boost the flow of global trade and help to develop digital infrastructure.

The deal covers areas of economic co-operation, including the launch of new consumer e-commerce and FinTech platforms in Uzbekistan, as well as measures to streamline customs operations and establish a new inland logistics network that will support the expansion of the Navoi Free Economic Zone and the cargo terminal at Navoi International Airport.

The agreement is also expected to expand Uzbekistan's trade network and position DP World as a strategic partner in boosting international trade.

The agreement was signed by DP World chairman Sultan bin Sulayem and Shukhrat Vafaev, Uzbekistan's Deputy Minister of Investments and Foreign Trade, in the presence of Sardor Umurzakov, Uzbekistan's Deputy Prime Minister and Minister of Investments and Foreign Trade.

"DP World is committed to being a strategic partner for Uzbekistan enabling trade. Our agreements signed today will help design and shape a world-class trading ecosystem in the country. The Uzbekistan economy continues to grow at a strong pace, making it an attractive destination for long-term investments," Mr Bin Sulayem said on Tuesday.

The revival and further development of trade, which was battered by Covid-19, is considered to be a key pillar for the global economy in the post-coronavirus era.

Global trade hit a record high in the third quarter of 2021 and is expected to rise 23 per cent to $28 trillion for the full year, according to a report by the UN Conference on Trade and Development in November.

DP World in October reported an 8.1 per cent increase in third-quarter gross container shipping volumes, beating the industry average of 6.4 per cent, with all the regions it operates in reporting growth. The port operator has also forged several partnerships in the final quarter of 2021.

On Monday, the port operator signed a final agreement with the Democratic Republic of the Congo to develop a deep sea port at Banana, along the country's 37-kilometre coastline on the Atlantic Ocean. This will be the DRC's first deepwater port.

Last month, it signed an agreement worth $7.5 billion with the Indonesia Investment Authority, the South-East Asian country's wealth fund, to develop ports over a period of up to 30 years.

In October, DP World teamed up with UK-based development finance institution and impact investor CDC Group to create a $1.7bn investment platform for Africa, which will invest in origin and destination ports, inland container depots, economic zones and other logistics across the continent to boost trade.

As part of the agreement with Uzbekistan, DP World will establish a road-and-rail-linked logistics network across all major distribution and consumption centres in and around the capital Tashkent.

It will also develop a 100-hectare road-and-rail-linked greenfield site in Uzbekistan's recently established Special Economic Zones.

The agreement will result in DP World becoming a strategic partner for the growing Navoi FEZ and the connectivity of the Navoi air cargo terminal in south-west Uzbekistan, linking it to major international centres.

"Uzbekistan is keen to co-operate with DP World on facilitating the development of logistics sector of the country through implementation of [a] portfolio of projects in key regions of the country," Mr Umurzakov said.

"The combination of DP World's experience and capacity with Uzbekistan's unique geographical location and favourable business environment will boost regional trade and contribute to further improvement of regional connectivity."

The World Bank predicts the economy of Uzbekistan – Central Asia's largest consumer market and a leading exporter of cotton, textile, automotive and fruit and vegetable products – will grow 5.6 per cent in 2022.

Source: thenationalnews.com– Dec 15, 2021

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# COVID-19: Over 5,000 textile dealers driven out of business in Kwara

More than 5,000 textile dealers in Kwara State have said that they have been driven out of business by the effect of the COVID-19 pandemic.

Speaking with journalists on the sideline of N50 million fundraising themed, "Uplifting the less privileged members" to save indigent members from poverty, state chairman of the Textile Dealers Association of Nigeria (KWSTDAN), Alhaji Abdulafeez Laaro, said that, "The reason for the event is to assist some of our indigent members that were badly hit by the COVID-19 pandemic.

"The pandemic led to the global economic meltdown. The meltdown affected businesses all over. In the aftermath of the COVID-19, no fewer than 5,000 registered members of our association were severely affected. Many of our members are currently out of business as a result of the adverse effect of the pandemic on our business.

"Before this time the association decided to be giving soft loans to cushion the effect on the less privileged members of the association. We have been doing that, but with the current hike in the price of everything in the country such loans might not suffice.

"The essence of the programme is to solicit support from well-to-do members of the association and public-spirited members of the society to raise funds for our members that have been driven out of business because of the COVID-19 pandemic.

"We hope to raise a sum of N50 million and the funds would be used to assist members who are out or almost out of business. Duly registered members of the association that were affected in Kwara central alone is well above 5,000. our membership cuts across other senatorial districts of the state."

He urged the beneficiaries to make judicious use of the opportunity.

The state Commissioner for Enterprise, Hajia Arinola Lawal represented by Director, Commerce in the ministry, Ibrahim Sani, had put in place windows of opportunity to assist traders in the state.

The commissioner revealed that the government recently resuscitated the bureau of micro, small and medium enterprises (MSME).

“KWSTDAN is one of the formidable associations we have in the state. The association has been in partnership with the ministry for the economic development of the state.

“Successive governments have been assisting the association. And this government will continue to assist members of the association. There are so many government’s programmes that they have been part of. Others are still coming. We the Owo isoowo for petty traders and also the state bureau of MSME has just been resuscitated. All these are windows of assisting the members of the association to promote their trade.”

Source: tribuneonlineng.com– Dec 14, 2021 HOME

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# Ethiopian textile units exceed export target

The textile and apparel industry in Ethiopia has exceeded its target export earnings over the past five months. In particular the leather industry performed spectacularly and the plan is to earn $90 million from leather exports this year. The sector is seen having immense opportunity to support the overall economy of the country with an improved functioning.

Some 80 of the over 400 textile and apparel industries in the country export textile products. Work is now on to resolve the challenges being raised by the textile and leather industries, including the availability of foreign currency, input raw materials and spare parts. The textile and apparel sector is one of Ethiopia's key industrial sectors.

Foreign currency earnings are given priority as a way of offsetting the current shortage in hard currency. To effect proper market linkages with reliable buyers, market opportunities are being explored to obtain potential buyers in the global market. A 15-year National Cotton Development Strategy has been prepared to tackle the cotton shortage. Ethiopia is going to harvest a huge amount of cotton for export and to satisfy the demands of the local textile industry. Several major foreign companies have invested in the textile and clothing industry in Ethiopia.

Source: fashionatingworld.com - Dec 14, 2021

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# Parkdale Mills to set up yarn spinning unit in Honduras

US-based Parkdale Mills, one of the largest manufacturers of spun yarn and cotton consumer products in the world, will make a multimillion-dollar investment in a new yarn spinning facility in Honduras and make an additional substantial investment to support existing operations in Virginia. This investment will help customers shift a million pounds of yarn per week away from supply chains in Asia and China and enhance US and CAFTA-DR (Dominican Republic-Central America Free Trade Agreement) co-production resilience and increase regional product offerings. Parkdale will create hundreds of jobs in Honduras and further support hundreds of employees in Parkdale's Virginia operations. Parkdale sees an enormous opportunity for brands and retailers to re-shore and nearshore production supply chains and double the size of US-CAFTA-DR trade.

The textile and apparel co-production chain is one of the most essential supply chains for employment and economic development in both the United States and the Northern Triangle region, currently supporting over a million jobs in the United States and the Central American region. The Dominican Republic-Central America Free Trade Agreement and its strong rules of origin are the primary reasons this co-production chain exists and is seeing significant growth this year. Rules of origin in nearshoring production chains help address labor and environmental challenges and mitigate supply chain risk.

Source: fashionatingworld.com – Dec 14, 2021

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## Patagonia turns to khadi denim fabric, buys from Arvind Mills

Patagonia has purchased nearly 30,000 meters of khadi denim fabric from Arvind Mills. The US-based fashion brand will use the fabric to make apparels. Patagonia carried out a strict assessment of various aspects of manufacturing khadi denim such as spinning, weaving, carding, dyeing, wage payments, age verification of workers etc, at a khadi making institution through a global third-party assessor before placing the order.

Arvind Mills has an agreement with the Khadi and Village Industries Commission (KVIC) to promote khadi denim products around the world. Arvind Mills periodically purchases a large quantity of khadi denim fabric from KVIC-certified khadi institutions and supplies it to apparel brands.

Khadi denim is being promoted in India. The collection has a smooth texture and is a little softer than regular denim, is eco-friendly and skin-friendly, boasts of an array of jackets, jeans and shirts for men and women. Khadi denim is a handcrafted denim fabric which has gained wide popularity in the country and abroad. Khadi denim is increasingly being used by leading fashion brands owing to the superior quality, comfort, organic and eco-friendly qualities of the fabric. KVIC is an apex organization under the ministry of micro, small and medium enterprises. Be it design or fashion, it’s trying to present a new and refurbished image of khadi.

Source: fashionatingworld.com – Dec 14, 2021

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# Online retailer Woolroom joins British Wool scheme

Woolroom has joined the British Wool traceable wool scheme. Woolroom is an online retailer of wool products for the sleep environment. Woolroom specialises in wool bedding, mattresses and accessories. The wool is locally sourced and sustainable. As a business, Woolroom has a multi-channel approach with three UK retail shops, a growing business-to business operation and a very fast-growing online presence in both the UK and North America.

British Wool is owned by approximately 35,000 sheep farmers in the UK. It collects, grades, sells and promotes British Wool to the international wool textile industry for use in flooring, furnishings and apparel. It is the largest supplier of British wool and goes into great detail when grading the wool.

Woolroom pays a premium over and above the British Wool auction price for the wool they procure. This is in turn returned to the relevant farmers. Woolroom is committed to supporting the British farmer. Not only does it connect consumers with the farmer through its Wool ID branding and innovative QR codes on the finished products, it is also helping to ensure the farmer receives a premium payment for their wool. Woolroom has partnered with British Wool's traceable wool program, Wool ID, in Woolroom's mattress and bedding ranges.

Source: fashionatingworld.com – Dec 14, 2021

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# NATIONAL NEWS

## FY23 Union Budget may rewrite SEZ law, says commerce ministry

The 2022-23 Budget to be presented by Finance Minister Nirmala Sitharaman on February 1 will focus a lot more on trade-related packages and may propose to amend the Special Economic Zone (SEZ) Act, said Commerce Secretary B V R Subrahmanyam on Tuesday.

"There will be a lot of trade-related packages coming up in the Budget. For the first time, you will find specific paras addressing us (the commerce ministry). The old history of us wanting something and the finance ministry not doing it is no longer there. We have brought harmony there," said Subrahmanyam. He was speaking at a session of the Confederation of Indian Industry Partnership Summit.

Hinting at an announcement on the simplification of SEZs, Subrahmanyam said the commerce ministry would be rewriting the SEZ law. "If there is a unit in an SEZ facing the domestic market, it will behave like a domestic tariff area entity. If it is facing the international market, it will behave like an SEZ unit. It will still be one unit. That's going to be a breakthrough once we get it through the next session of Parliament," he said.

The commerce and finance ministries are often at loggerheads over the SEZ policy on tax incentives to SEZ units and allowing them to sell in the domestic tariff area.

An expert committee led by Bharat Forge Chairman Baba Kalyani, that was formed in 2018 to review the SEZ policy, has already submitted its report, recommending significant changes in the SEZ policy, including the formulation of separate rules and procedures for manufacturing and service SEZs.

Subrahmanyam also cautioned the Indian industry, telling it to brace for increased competition and think global since India was going to sign a host of "very deep" free trade agreements (FTAs) to integrate the Indian economy with advanced economies, such as the UK, Australia, and the European Union (EU).

"FTAs can't be one way. Everybody wants market access. I want the industry to keep that in mind. To make FTAs realistic and compliant with World Trade Organization norms, we need to have at least 90 per cent of trade covered under substantial liberalisation. We can't be cherry-picking. It will be a deep integration of economies. There will be some sensitive lines, of course. In the Indian context, dairy, for example, is a sensitive area. By and large, these are going to be very deep FTAs," he added.

Subrahmanyam said India would be concluding an FTA with the United Arab Emirates (UAE) any day.

"I am saying any day, not weeks. Launched on September 22, we will have the signing sometime in January," he added.

He said India was also going to relaunch the FTA with Israel by March-April next year.

"We are negotiating an FTA with Australia. We will have an interim in place by the end of this month and a full agreement by next year. We are entering into an agreement with the UK. We will have an interim in place by March-April and a final one by December next year. The EU FTA, which had been stalled for seven years, will hopefully be done by mid-2023. It is a more complex dynamic, given there are 27 countries. We are in talks with Canada and by the end of next year, we should have a full-fledged agreement," he added.

Source: business-standard.com - Dec 15, 2021

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# India is looking for FTAs with like-minded nations: Minister Goyal

India's minister of commerce and Industry, consumer affairs, food and public distribution and textiles Piyush Goyal has called upon fellow ministers of neighbouring countries to work together to transform the subcontinent. He said that India is looking for FTAs with like-minded nations with transparency and mutual benefit and growth as key pillars.

The minister called for enhancing India's economic ties with the nations of the Southern African Customs Union which consists of Botswana, Namibia, South Africa, Swaziland and Lesotho, while addressing the 'CII: Partnership Summit -Ministerial Meeting' virtually from New Delhi.

He added that India is also reviewing existing FTAs with ASEAN, Japan and Korea to strengthen them and forging enhanced trade alliances with countries like UAE, EU, UK, Israel, Australia, Canada, Russia, Oman and the GCC.

Pointing out that India's voice was visible in the G20 declaration this year, which successfully amplified the voice of the developing countries of the world, the minister said that the world is acknowledging India's leadership.

Goyal further said that Indian economy has recovered sharply and added that the rising economic indicators point towards 'an India shaping up for a growth decade'. India had seen a GDP growth of 8.4 per cent in Q2, high exports, high FDI and large amounts of investments being done by Indian companies in other nations. He urged the ministers to invite Indian companies to invest in their economies and help create jobs.

The minister outlined 6 areas on which India is focussing to build a sustainable, inclusive and resilient ecosystem for future partnerships: trade agreements, investments, India's strengths as a supply chain alternative, ease of doing business, innovation and sustainability.

Underscoring India's initiatives in investment promotion, Goyal said that the government has been inviting businesses of other countries to seize investment opportunity as 'India is the place to be' with its accessibility, choice, openness and opportunities.

India's diverse business landscape, skilled workforce, relatively low labour cost and initiatives to boost infrastructure such as National Infrastructure Pipeline, GatiShakti, National Monetisation Plan would certainly give a fillip to investments and yield good returns, said Goyal.

Emphasising upon India's initiatives in the direction of sustainable development, Goyal said that India will reach its non-fossil energy capacity to 500 GW by 2030 and meet 50 per cent of its energy requirements from renewable energy, one of the world's most ambitious renewable energy programmes. It may be noted that India has pledged to achieve Net Zero Emissions by 2070.

He called upon ministers from various nations to take forth the agenda of strengthening partnerships between India and the world and re-stabilise and revitalise economies in the post COVID-19 world.

Source: fibre2fashion.com- Dec 14, 2021

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# Unified GST from January 1st could cause problems for Indian textile MSME

India's textile sector Uniformity of GST structure From January 1, 2022. The increase in GST for finished products such as apparel Small Business (MSME) According to tax experts, these play an important role in the field.

The Goods and Services Tax (GST) will be raised by 7% on finished products such as apparel and textiles from the beginning of next year, according to a notice issued by the Treasury on November 18. The GST rate for fabrics will increase from 5% to 12%, and the GST rate for apparel of all value will increase to 12%. This is compared to before products priced up to £ 1,000 were subject to 5% GST.

Industry experts feel that uniform rates make it harder for a sector to float, leading to smaller players being pushed into unorganized sectors. "It is very clear that the MSME sector is dominant in the Indian textile industry. The Indian textile industry provides hundreds of thousands of people with work and business opportunities. Like any other sector. Now, due to government policy, MSME is also having problems in the textile industry, "they say.

The textile sector in India may experience some confusion as the GST structure was unified from January 1, 2022. Increasing GST for finished products such as apparel will have a greater economic impact for small and medium-sized enterprises (MSMEs). According to tax experts, it plays an important role in the field.

Raising the GST puts more stress on the working capital requirements of the industry, especially MSME. Increasing tax rates could put an additional financial burden on the MSME section of the industry, which is already under stress due to sluggish sales and rising input costs. It can also lead to higher costs for end consumers.

However, the government's decision to equalize tax rates across the supply chain should help the industry in the long run by releasing blocked working capital in the form of cumulative temporary tax credits (ITCs). Claims to be. The purpose behind the proposed increase is to correct the anomalies associated with ITC refunds due to the reverse tariff structure. A reverse tariff structure means that the tax on the input is high and the tax on the product or final product is low. Simply put, companies face higher GST rates for raw materials than for finished products. The GST Council has addressed the issue of reverse tariff structure in many industries.

Upstream industry is receiving the same response as being content with the government's decision. Sanjay Garg, executive director of Punjab-based spinning mill Longowalia Yarns Ltd, said demand from the industry awaits. Unification of tax systems will bring a better ecosystem to the industry. Garg, also chairman of the North Indian Textile Factory Association (NITMA), suggests that the downstream textile and apparel industry needs to be more efficient in the current scenario. "India's textile industry needs to be prepared to face global competition, so it needs to be more efficient throughout the value chain."

However, MSME is not pleased with the changes in the GST structure and is demanding the withdrawal of the GST rate increase. Recently, the Kerala Clothing and Textile Dealer Welfare Association (KTGA) has decided to put strong pressure on the central government towards this demand. This increase will have a significant impact on the businesses of SMEs affected by last year's pandemic. Previously, the All India Traders Federation (CAIT) made the same request.

Source: eminetra.com- Dec 15, 2021

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# Exports rise 27.16% to $30.04 bn in Nov; trade deficit at $22.91 bn

India's merchandise exports jumped 27.16 per cent to $30.04 billion in November on the back of good performance by sectors like petroleum products, engineering goods and electronic items, official data showed on Tuesday.

The exports stood at $23.62 billion in November 2020.

Imports in November were at $52.94 billion, showing an increase of 56.58 per cent over inbound shipments of $33.81 billion in the year-ago month.

Gold imports rose nearly 40 per cent to $4.22 billion as against 3.02 billion in November 2020.

As per the data released by the Ministry of Commerce and Industry, November trade deficit stood at $22.91 billion. This compares with $10.19 billion in November 2020.

Merchandise exports for April-November 2021 were at $263.57 billion, up 51.34 per cent over $174.16 billion during the corresponding period last year.

Imports during the period totalled $384.34 billion, an increase of 74.84 per cent over April-November 2020 when it was $219.82 billion.

"The merchandise trade balance for April-November 2021 was estimated at $(-) 120.76 billion as against $(-) 45.66 billion in April-November 2020, which is a decline of (-) 164.49 per cent," said a release issued by the ministry.

Exports of petroleum products during November climbed 154.22 per cent at $3.95 billion on a yearly basis. Outward shipments of engineering goods rose to nearly $8 billion, up about 37 per cent over the same month last year.

As per the data, exports of electronic goods rose from $1.12 billion in November last to $1.45 billion during the month under review, up 29.83 per cent.

Shipments of organic and inorganic chemicals jumped 32.54 per cent to $2.24 billion.

On the imports front, inbound shipments of 'coal, coke and briquettes' stood at $3.57 billion, rising 135.81 per cent over November 2020.

Imports of 'petroleum, crude and products' too surged 132.43 per cent at $14.67 billion.

The import of vegetable oil shot up by 78.82 per cent to $1.75 billion.

The release further said the estimated value of services export for November 2021 was $20.33 billion, up 16.88 per cent over the same month last year ($17.39 billion).

The estimated value of services import was $11.81 billion, a growth of 20.71 per cent over November 2020 ($9.78 billion).

India's overall exports (merchandise and services) in November were estimated to be $50.36 billion, exhibiting a growth of 22.80 per cent over the same period last year.

Non-petroleum and non-gems and jewellery exports in November rose 22.26 per cent to $23.68 billion.

Non-petroleum, non-gems and jewellery (gold, silver and precious metals) imports were $31.82 billion, a growth of 40.64 per cent from $22.63 billion in November 2020.

Source: business-standard.com- Dec 15, 2021

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# India's exports likely to touch record $400 billion this fiscal: Piyush Goyal

Commerce and Industry Minister Piyush Goyal on Tuesday said India's merchandise export is set to touch an all-time high of $400 billion during the current financial year, driven by sharp uptick in shipments. As per a preliminary trade data, India's merchandise exports in April-November 2021 was at $262.46 billion, an increase of 50.71 per cent over $174.15 billion in the same period of the previous financial year.

"Our exports have consistently crossed $30 billion for the last eight months. We are now at about $262 billion of exports versus $290 billion in the 12 months of last year. So, by the ninth month, we would have crossed last year's export, and we hope to do a record export of $400 billion," Goyal said.

Speaking at the CII Partnership Summit 2021, he said India's imports too are growing and thus providing opportunities to other countries to expand business and international trade with India.

Imports during April-November 2021, grew by 75.39 per cent to $384.44 billion

"India on its part is showing sharp economic recovery and various indicators are pointing to a bounce back in our work in our industry, manufacturing sector, agriculture, technology and also shaping up of preparing a platform for a decade of huge growth," he added.

Referring to COVID-19, Goyal said India tried its best to meet all international commitments and supported countries through supply of vaccines, medical supplies, and masks, among others.

He assured that India will continue to support friendly nations.

"... During the COVID period, we have focused our attention on our neighbourhood on our region to ensure that all our friendly countries get adequate medical supplies," the minister said.

Highlighting that India has already administered about 1.3 billion doses to its citizens so far, Goyal stressed that India is ready to support every friendly country with vaccines, or medical supplies.

He also invited investments from other countries to India.

"India is shaping up for a decade of growth. I would like to invite the world to work with India in a spirit of partnership," he said.

Goyal suggested focusing on six areas to build a sustainable, inclusive and resilient ecosystem to further promote partnership with other countries. The six areas include trade agreements, investments, and promoting ease of doing business.

Source: economictimes.indiatimes.com - Dec 14, 2021

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# Is 7 per cent GST hike in textiles, apparel a contradiction to the promises of 'Vocal4Handmade'?

On December 10, more than 4,000 textile wholesalers, retail shops, producers and merchants dealing with yarn went on a strike in Erode, Chennai. The strike was called for by the Erode Cloth Merchants Association against the Finance Ministry's decision to increase the GST on various kinds of textiles, footwear and apparels by 7 per cent, spiking the erstwhile 5 per cent GST to 12 per cent, to be effective starting January 1, 2022.

The same notification, issued November 18, had stated a decrease in the rates of synthetic yarns and fibers from 18 per cent to 12 per cent. The revision was justified as a move to bring uniformity in tax rates across the textiles sector and also to eradicate distortions owing to the inverted duty structure.

But, how does the textile industry feel about it?

"It is probably a great initiative for the accountant to make it easy by putting a single tax amount on everything that has to do with the textile, from yarn, fabric, to garment accessories, but for the manufacturer and the consumer, it will be way too difficult," said Sreejith Jeevan, founder and designer at Kerala-based brand Rouka, expressing concern.

"It will not only become expensive to manage or run production but also make it very difficult to market an already labour-intensive product since the costs would go way up", he added.

Agreed former president of Erode Cloth Merchants Association, P Ravichandran, who spoke with indianexpress.com from his shut-down offices. In Erode, where the association functions for the welfare of the different local stakeholders of the textile industry, the distressed weavers, small scale mill owners, local retail shop owners, among others, also pulled down their shutters for a day to protest against the hike. "There is a huge rise in the price of the cotton yarn, nearly 30-40 per cent. Adding to that, this government is proposing to increase the GST by 7 per cent. After the pandemic, increase in prices of chemicals for processing, as well as Chinese imports going down, lots of spinning mills went bankrupt in the last two years already," said Ravichandran, whose association is demanding a restoration of the earlier 5 percent GST rate.

In Telengana, too, craftspeople are left in a disarray at how they will make ends meet with profit margins already low at 2-5 per cent on an average. From the heart of Pochampally, Karnati Narasimha of Vikas Handlooms, which weaves the Pochampally ikat saris that are coveted across the country, worries that the weavers and artisans working under him might abandon the craft. As it is, Narasimha's loom, like many other small looms from the unorganised sector, is facing minimised sales.

"The prices of colours and zaris will increase, making the production cost higher. We get only a 5 per cent margin from the saris; if we pay the GST at 12 per cent, how can we make any profit?" Narasimha expressed.

Small-scale brands and initiatives who work with craft clusters have also been thrown off by this decision. Hyderabad-based brand Ilamraa, which works with the traditional Kalamkari craft practiced by third generation artisans in Pedana, Andhra Pradesh, was earlier charged a 5 per cent GST by its raw material suppliers, but that is slated to change soon.

"Our fabric unit is now going to charge us 12 per cent which automatically increases the pricing, which we are now yet to figure out how to deal with as sudden increase in product pricing may not be the best option but as a small business, neither is taking a hit on our margins an option", said its co-founder Yashila Nara. She added that in a sudden change of tax structure like this, the sustainable market space is especially impacted wherein "the intersection of competitive market pricing and affordability is tricky, and this would only make it difficult.

"Sustainable products are already on the higher pricing side and to accommodate rising taxes would mean either making changes to production (like shifting from limited pieces to bulk that might cut costs), or letting go off a section of the customer base; the former compromises on sustainability values while the latter does not allow the brand to grow. Both factors are deteriorating in many ways," she continued.

Industry insiders agree that the move comes across as a contradiction of the social media campaign #Vocal4Handmade by the government, launched on the 6th National Handloom Day (Aug 7, 2020) "in partnership with all stakeholders, to promote the handloom legacy of India and to ensure people's support for the weaving community", as per the Ministry of Textiles.

"It feels like the right hand doesn't know what the left hand is doing," said Laila Tyabji, a social worker, writer, craft activist, and co-founder of Dastkar, an NGO working to support traditional craftspeople. "It is such a mistake because one huge advantage that India has during times when people all over the world are getting conscious of handmade, natural fibers and eco-friendly processes, is that it already has millions of people who are skilled in these processes. It's a time when we should be investing in them and target an international market growth for handloom and natural fiber. Instead, we are trying to drive them out of existence," she said.

Dastkar has been lobbying for the last three years for the complete removal of the GST on textiles as already marginalised handicrafts producers and handloom weavers cannot afford it.

"The GST not only raises the prices of the products but is also a cumbersome mechanism for the neo-literate people to manage, and is another reason why they are leaving the sector because it is becoming so complicated. This further increase is going to be a crushing blow," added Tyabji.

Source: indianexpress.com- Dec 14, 2021

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# YSRCP bats for textile park under MITRA at Kopparthi

The YSRCP has urged the Union government to establish one of the seven textile parks proposed under the ₹4,445-crore Mega Investment Textiles Parks (MITRA) scheme, in Andhra Pradesh's Kopparthi mega industrial hub.

Raising the issue in Rajya Sabha on Tuesday, party member V. Vijaya Sai Reddy said the Kopparthi industrial hub, which was recently established in Kadapa district, had all the facilities in place, and was set to become the chosen destination for many investors.
He said the State government had announced subsidies to encourage investors and promote the industrial hub.

"A.P. is the second biggest producer of cotton and silk with over 4.5 lakh skilled handloom and powerloom workers," Mr. Vijaya Sai Reddy said.
He said the MITRA park would potentially become the nodal point for the textile industry of the State and contribute largely to the integration of the supply chain.

Mr. Vijaya Sai Reddy said the parks would facilitate spinning, dyeing, and printing at one place, and thousands of jobs would be created, a release issued here said.

Source: thehindu.com- Dec 15, 2021

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