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EUR	82.27
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INTERNATIONAL NEWS

RCEP trade to benefit recovery of world economy

Almost four months after the Regional Comprehensive Economic Partnership came into action, China-stationed foreign diplomats said the forms of intraregional trade will be further diversified and facilitated, enriching the Asia-Pacific region's economic vitality through inclusive and sustainable economic recovery amid the pandemic.

As the RCEP is a trade deal between the 10-member Association of Southeast Asian Nations and China, Japan, the Republic of Korea, Australia and New Zealand, they said the pact will reinforce regional trade and investment and help companies, especially small and medium-sized businesses, gain better access using both traditional and new foreign trade formats, including cross-border e-commerce and international trade, and boost global gross domestic product in a sizable market that covers a third of the world's population.

Eager to ship more products to China in the coming years, consul-generals of Vietnam, Thailand and Malaysia in Nanning, Guangxi Zhuang autonomous region, participated in a livestreaming event in late March to promote trade-related innovation and business ties between China and the ASEAN.

These diplomats promoted such products as Vietnamese coffee, Thailand's latex pillows and Malaysia's Musang King durian to domestic consumers and interacted with audiences online by partnering with a TikTok livestreamer.

The three consul-generals also recommended Guangxi specialties, such as jasmine tea, tangerines, edible bird's nests, medical supplies and luosifen rice noodles to Southeast Asian countries via Lazada, a cross-border e-commerce platform.

"Since the outbreak of the COVID-19 pandemic, more Thai consumers have taken a liking to online shopping. This event will further enhance trade ties between Thailand and Guangxi, as well as support the tangible growth of the RCEP," said Benjamas Tanvetyanont, Thailand's consul-general in Nanning.

According to Peng Jian, the organizer of the event and director of the foreign affairs office of the Nanning municipal government, the event was designed for diplomats to experience the development of cross-border business in Nanning and promote mutual prosperity with the implementation of the RCEP.

"Taking into account the pandemic situation, there is no better time for us to dive into the e-commerce sector where we are able to shop and also have a glimpse of the world around us and understand how other people live their lives by the products they use," said Azlimi Zakaria, consul-general of Malaysia in Nanning.

He said the cross-border e-commerce cooperation between Malaysia and China, particularly in Guangxi, is set to expand even further as both sides are fairly serious about the growth of this sector.

Backed by Malaysia's favorable natural conditions, the official added that the China-Malaysia Qinzhou Industrial Park—the flagship project of investment cooperation between the two countries—has already established a processing trade base for edible bird's nests in Guangxi.

At present, there are three preprocessing centers in Malaysia that have been registered overseas by China's General Administration of Customs. The trade base for edible bird's nests in the park is operated by 15 bird's nest production and processing companies, and 11 of them have been approved by the Chinese government for deep processing qualifications.

Do Nam Trung, consul-general of Vietnam in Nanning, said he would like to promote mutual understanding by displaying Vietnam's coffee culture to Chinese consumers.

As a new form of foreign trade, cross-border e-commerce has become an important driving force for stabilizing China's imports and exports, and has witnessed rapid growth despite the disruption of the COVID-19 pandemic.

It surged from less than 1.2 trillion yuan ($187.05 billion) in 2018 to 1.98 trillion yuan in 2021, according to the General Administration of Customs.

With the China (Nanning) Comprehensive Cross-Border E-Commerce Pilot Zone starting operations in 2018, the park to date has attracted more than 100 companies to establish businesses within the zone. They reported a transaction volume of 7.77 billion yuan in 2021, up 259 percent year-on-year, according to the government of Guangxi.

Zhang Jianping, director-general of the Beijing-based China Center for Regional Economic Cooperation, said closer ties among the RCEP signatory countries will not only have a far-reaching impact on regional trade, investment and market integration but also help the recovery of the global economy.

Source: chinadaily.com.cn– Apr 25, 2022

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Global growth forecast to drop to 3.6% in 2022; debt crisis to worsen

Global growth is projected to slow from an estimated 6.1 per cent in 2021 to 3.6 per cent in 2022 and 2023, according to a recent report by the International Monetary Fund (IMF). This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than projected in January. Additionally, due to high debt and deficit levels, countries are under severe financial stress, said World Bank Group president David Malpass.

Malpass also said that three-fifths of low-income nations are in debt distress or at high risk of it. He expects the debt crisis to continue to worsen in 2022. Policies need to be adjusted to enhance supply, not just raise demand. Malpass was addressing a media roundtable on the Group’s spring meetings this year.

The downgrade in the global outlook was due to the economic impact of the Russia-Ukraine war, IMF said. World output is now projected to grow by 3.6 per cent this calendar year and the next, slowing sharply from the 6.1 per cent expansion seen in 2021.

“The war in Ukraine has triggered a costly humanitarian crisis that demands a peaceful resolution,” the IMF said forecasting a massive 35 per cent contraction for Ukraine in 2022. The conflict, the Fund noted, would contribute not only to a ‘significant slowdown’ in 2022, but also to inflation—via trade, commodity markets and financial channels.

The IMF's latest World Economic Outlook also projected India’s economy to expand by 8.2 per cent in this fiscal and by 6.9 per cent next year.

Source: fibre2fashion.com– Apr 23, 2022

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China's economy sees stable start in Q1 2022

In the first quarter of this year (Q1), China's national economic recovery was sustained and the operation of the economy was generally stable. According to preliminary estimates, the gross domestic product (GDP) in Q1 reached 27,017.8 billion yuan, up by 4.8 per cent year on year (YoY) at constant prices, or by 1.3 per cent over that in the fourth quarter (Q4) of 2021.

By industry, the value added of the primary industry was 1,095.4 billion yuan, up by 6 per cent YoY; that of the secondary industry was 10,618.7 billion yuan, up by 5.8 per cent; and that of the tertiary industry was 15,303.7 billion yuan, up by 4.0 per cent.

Industrial production grew fast and middle-high-end manufacturing industries enjoyed sound growth in Q1 2022. The total value added of industrial enterprises above the designated size grew by 6.5 per cent YoY, according to an official release.

The total retail sales of consumer goods in Q1 2022 reached 10,865.9 billion yuan, up by 3.3 per cent YoY and online retail sales reached 3,012.0 billion yuan, up by 6.6 per cent YoY.

Import and export of goods witnessed rapid growth in Q1 2022 and trade structure continued to optimise. The total value of imports and exports of goods in that duration was 9,415.1 billion yuan, an increase of 10.7 per cent YoY. The total value of exports was 5,226.0 billion yuan, up by 13.4 per cent YoY; that of imports was 4,189.1 billion yuan, up by 7.5 per cent YoY.

The trade balance was 1,036.9 billion yuan in surplus. The service sector continued to recover as well in Q1 2022.

Source: fibre2fashion.com– Apr 22, 2022

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European businesses more positive about investing in Vietnam in 2022

European business confidence in Vietnam's investment environment continued to rise at the start of 2022, says the business climate index (BCI) from the European Chamber of Commerce in Vietnam (EuroCham) conducted by YouGov. For the first quarter (Q1) of 2022, the index climbed to 73 points, once again reaching its highest point after the fourth wave of the pandemic.

This is a 12-point increase compared to the fourth quarter of 2021, in addition to nearly 58 points of growth compared to the third quarter, with business leaders now more upbeat after the relaxation of Vietnam's pandemic-related restrictions and the continued acceleration of its economic development, EuroCham Vietnam said in a press release.

European business leaders are generally showing increasingly improving attitudes towards the prospective growth of Vietnam's economy as well. More than two-thirds of respondents now believe that the Vietnamese economy is more likely to stabilise and improve in the second quarter of 2022, compared to 58 per cent who held this view in the fourth quarter of 2021.

This far exceeds the 5 per cent of respondents who anticipate economic deterioration for the next quarter.

European business stakeholders also indicated ambitious second quarter projections for their companies, especially when compared to projections made for the first quarter. Nearly 66 per cent of respondents are expecting increased revenue for the second quarter of the year, compared to 52 per cent three months earlier.

Likewise, more than 46 per cent of respondents are forecasting headcount increases for next quarter. The BCI is a regular barometer of European business leaders and investors. This research was first conducted in 2013 and has been carried out by YouGov since 2020.

Source: fibre2fashion.com– Apr 25, 2022

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Pakistan: Trading activity recovers on cotton market

Cotton Analyst Naseem Usman told that the rate of cotton in Punjab and Sindh is in between Rs 18000 to Rs 21,000 per maund.

He also told that 214 bales of Khairpur were sold at Rs 17700 per maund and 200 bales of Rohri were sold at Rs 17100 per maund. The textile industry has filed a package of submissions with Prime Minister Mian Mohammad Shehbaz Sharif for his nod, which will help pave the way for increasing textile exports to $26 billion in the next fiscal year and $50 billion in next 5 years. In a letter written on April 20, 2022 to the new chief executive of the country,

All Pakistan Textile Mills Association (APTMA) urged him to ensure the continuation of Regionally Competitive Energy Tariff (RCET) to the textile Industry with RLNG price at $6.5/MMBTU and electricity at 7.5 cents/unit, immediate provision of gas connections to the new units coupled with extension of load for enhanced capacity and revival of sick units, and reaffirmation for export sector priority in gas allocation.

APTMA also called on the Prime Minister to ensure the cotton support price for this season was fixed at Rs8,000/maund for the upcoming season to encourage farmers to grow more cotton, making a point that the country every year loses at least $ 3 billion/annum on account of low production of cotton.

The textile sector demanded a review of duty on Polyester Staple Fibre and removal of anti-dumping duties to enable Pakistani export products to compete internationally.

It also asked the government to implement a weighted average cost of gas in letter & spirit, enabling uniform and rational gas or RLNG prices across the country.

In the letter, APTMA drew the PM's attention towards the success story of exports showing the increase by 26 percent over the previous year to a record of $ 23.3 billion, the majority of which were textiles (61 percent).

It pleaded that the growth was enabled by implementation of Regionally Competitive Energy Tariff (RCET), investment of over $5 billion in expansion and establishment of 100 new textile units resulting in enhanced export capacity of $ 500 million per month.

"The reduction in area and lower productivity has reduced the cotton production from a high of 14.81 million bales to 7.44 million bales last year.

Cotton has lost 1 million hectares during the last decade and if this area reverted to cotton than the country will produce an extra 5 million bales of cotton which will add 1.523 percent to GDP and will save the country's $ 5 billion directly while generating incomes in the rural economy of Pakistan and playing a vital role in poverty alleviation," the APTMA said in the letter.

Coming to the energy issues, APTMA said that the cost to the exchequer of Regionally Competitive Energy Tariffs has been 2.44 percent of textile exports which was a tiny fraction of the cost of potential foreign currency borrowing that the forex earnings were replacing.

Source: brecorder.com– Apr 24, 2022

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Bangladesh cotton production for MY 2022-23 to be 155000 bales: USDA

The US Department of Agriculture (USDA) has forecast cotton production in Bangladesh for marketing year (MY) 2022-23 to be 155,000 bales--up by 2.6 per cent over MY 2021-22—and imports at 8.9 million bales. Cotton harvested area is projected at 46,000 hectares for this MY, up by 2.2 per cent over MY 2021-2022. Indian cotton took 29 per cent market share in 2021, followed by Brazil, Benin and the United States.

In 2021, Bangladesh's readymade garment exports reached a record high of $35.81 billion, and the country became the second largest exporter after China. Due to high domestic demand for yarn and fabric, Bangladesh continues to import these products in substantial amounts.

Harvested area in the country is increasing due to support from the ministry of agriculture's Cotton Development Board (CDB) extension service and comparatively higher economic returns, USDA noted.

USDA estimates the MY 2021-22 cotton harvested area and production at 45,000 hectares and 151,000 bales respectively.

Domestically-produced cotton accounts for less than 2 per cent of total cotton consumption in the country. Total cotton cultivation in Bangladesh covers only 0.55 per cent of the country's 8.1 million hectares of arable land.

In cotton year (CY) 2021, Bangladesh's readymade garment (RMG) exports hit a record high of $35.81 billion. Knitwear products exports were $19.6 billion and woven products were $16.21 billion, up by 37.72 per cent and 22.45 per cent respectively compared to CY 2020.

In CY 2021, Bangladesh became the second largest global RMG exporter after China. The COVID-19 pandemic adversely affected Bangladesh's RMG exports in CY 2020, with the country falling behind Vietnam. Total RMG exports were $27.45 billion, down by nearly 17 per cent from the previous year; however, Bangladesh's RMG factories began to see increased orders from Europe and the United States in the second quarter of 2021 as their economies recovered.

Bangladesh imports large quantities of fabric and also exports limited quantities. The value of Bangladesh's fabric exports under HS codes 5208 and 5209 in CY 2021 was $27.83 million, 40.6 per cent lower than the previous year.

Total fabric imports in CY 2021 also dropped to $1.8 billion from $2.6 billion in CY 2020, as Bangladesh imported more yarn.

Cotton consumption continues to increase for MY 2022-23. USDA forecasts that the total domestic raw cotton consumption at 9.31 million bales, up by 5.6 per cent over the MY 2021-22 USDA official estimate.

Post estimates MY 2021-22 domestic raw cotton consumption at 9 million bales, which is 2.27 per cent higher than USDA official estimate.

USDA forecasts MY 2022-23 yarn and fabric consumption at 0.96 million MT and 6.4 billion metres respectively. For MY 2021-22, it estimates yarn and fabric consumption at 0.95 million MT and 6.3 billion metres respectively.

Bangladesh's cotton imports continue to increase steadily. USDA forecasts MY 2022-23 cotton imports at 8.9 million bales, up by 7.2 per cent over the MY 2021-22 USDA official estimate, assuming increasing yarn and fabric demand by the RMG industry.

Source: fibre2fashion.com– Apr 25, 2022

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NATIONAL NEWS

Centre committed to resolve issues faced by textile industry: Jardosh

The textile ministry is committed to resolving any issues that the industry is suffering and more so if the matter relates to Gujarat, said Union Minister of State for Textiles and Railways Darshana Jardosh in Ahmedabad Saturday.

She was speaking at Textile Interactive Meet and Textile Leadership Conclave 2022, a one-day event organised by the textile task force of Gujarat Chamber of Commerce and Industry (GCCI) at Shree Shakti Convention Centre.

Delegates from 27 national and regional associations of textile industries, interacted with the Union minister, Gujarat State Industries Minister Jagdish Panchal, Textile Commissioner Roop Rashi Mahapatra, and Industries Officer of Government of Gujarat Dr. Munjal Dave at the event.

Speaking during the event, GCCI President Hemant Shah said India's textile sector of India stands a chance to benefit a lot from the many Free Trade Agreements and PLI schemes.

Source: indianexpress.com– Apr 24, 2022

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To boost exports, port logistics must improve

India has been making concerted efforts to expand its merchandise exports footprint. And rightly so, as exports act as an engine of growth. The objectives of production linked incentive (PLI) schemes, or of India becoming a part of the global value chain, will be realised only when these efforts lead to increased export earnings.

Recent data suggest that exports are on the rise. However, India's share in global exports is still hardly 2 per cent. This is a miniscule given the size of the country.

What is the root cause of this dismal performance? An oft-given reason is high logistics costs. To address this problem, policymakers are making efforts to build world class transport infrastructure.

However, even as the building of hard infrastructure takes place, emphasis should be given to soft infrastructure as well. Also, upgrading of infrastructure at ports should be taken up simultaneously, as they are last point from where goods are exported.

How do the major ports fare in terms of export related logistics? While the parameters may vary from port to port, some of them are common to all ports and can be considered as yardsticks for measuring port efficiency.

The key parameters are: (a) logistics time in hours; (b) demurrage cost as per cent of logistics cost; (c) ease of Customs and documentation measured on a scale of 1-10, with one being least hindrance; (d) cost of Customs clearings as share of total logistics cost; (e) speed money as per cent of logistics cost; (f) overall perception of bribes as hindrance to business, measured on a scale of 1-10, with one being least hindrance; (g) harassment by gangs, pilferage/leakage, etc., measured on a scale of 1-10, with one being least hindrance; (h) time taken from unloading of cargo to Customs check at storage yard; (i) time taken from Customs check at storage yard to when goods finally move out of port for importers; (j) time taken from the cargo transported to port to inspection by CBIC officials; and (k) time taken from completion of CBIC officials' inspection to cargo loaded on vessel.

Logistics performance index

About 1,200 interviews were conducted with various stakeholders dealing with export consignments at 22 major ports of India to determine their perception of the 11 parameters. A logistics performance index of each port was determined based on the raw rate collated after normalisation. The Table lists the top 5 and bottom 5 ports computed based on the index

Export related logistics: Efficiency of ports

Best 5 Ports	Index value	Worst 5 Ports	Index value
JNPT	84.61	Chennai	63.69
Mundra	84.16	Kolkata	62.92
Pipavav	81.52	Vishakhapatnam	61.54
Delhi airport	81.27	Tuticorin	59.17
Kakinada	77.22	Petrapole land port	50.44

The indexation exercise indicates there are significant differences in efficiency across ports . There is ample scope for several ports to improve their efficiency in handling consignments and catch up with the ports that are performing well.

It must be mentioned that the ports in the eastern and the southern regions of the country significantly lag in terms of efficiency compared with those in the western and the northern regions. The sooner these ports address their logistics gaps, the easier it will be for India to become more competitive in the global market.

While exporters should see benefits in terms of logistics cost, the respective port authorities and policymakers should develop a mechanism to create a seamless system with the help of technology and digitisation, wherever required, to help the country achieve global export competitiveness.

The scope for process reengineering should be explored to remove non-value adding, yet time consuming, nodes and identify inefficient nodes by understanding the micro-processes involved in the ecosystem.

A transparent system defining responsibility and accountability, including decision-making for each node involved, needs to be incorporated in the ecosystem by introducing standard operating procedure across all activities.

Source: thehindubusinessline.com– Apr 24, 2022

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EU President to discuss free trade pact, climate, Ukraine crisis, defence during India visit

Will hold talks with PM Modi, President, Foreign Minister; attend Raisina Dialogue as chief guest

European Union (EU) President Ursula Von der Leyen is set to give a push to the ongoing India-EU free trade agreement (FTA) talks and discuss initiatives in the areas of connectivity, energy and digital transition, climate change, security and defence in her meeting with Prime Minister Narendra Modi in New Delhi on Monday.

The Russia-Ukraine conflict is also likely to feature prominently in the EU chief's agenda during her two-day visit to India beginning April 24, a source tracking the matter told BusinessLine. Von Der Leyen will also meet President Ram Nath Kovind and Foreign Minister S Jaishankar.

She will also join the inaugural session of the Raisina Dialogue on Monday as the chief guest. The Dialogue, to be inaugurated by the Prime Minister, is the country's flagship conference on geopolitics and geoeconomics, organised by the Ministry of External Affairs in collaboration with the Observer Research Foundation.

The EU President will also deliver an address at the International Solar Alliance (ISA) and hold discussions with Indian and EU companies about the security of supply chains in the energy sector.

'Complicated negotiations'

"While Johnson and Modi talked about a year-end deadline for the India-UK FTA, it will be interesting to see if similar deadlines are announced during the EU chief's visit. The negotiations with the EU are likely to be more complicated as the interests of all 27 member states need to be accommodated," the source said.

The EU is one of India's largest trading partners with bilateral trade in goods and services in 2020 amounting to €96 billion, as per figures shared by the EU. The EU is also one of the largest investors in India accounting for 16 per cent of total investments received between 2015-20. The EU investments in 2000-2021 amounted to €83 billion.

According to EU estimates, there are 4,500 European companies operating in India, contributing to the creation of over 1.5 million direct and 5 million indirect jobs in the country.

In the FTA being negotiated, the EU hopes to get major market access in areas such as automobiles, wines and spirits and financial and legal services while India wants lower import duties for labour-intensive goods like textile and leather and easier access to more work visas.

“While both sides are aware of the major demands, what still needs to be ascertained is whether the agreement on investment protection will be tied to the FTA in goods and services. The EU wants both to be separate while India wants them to be connected,” the source said.

Von der Leyen is also scheduled to visit The Energy and Resources Institute (TERI) campus where she will hold discussions on how to meet the challenge of climate change and the need to work together for a green, digital and resilient future.

Source: thehindubusinessline.com– Apr 24, 2022

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EU to pursue trade deal with India to reduce its ties to Russia

The European Union plans to relaunch trade talks with India in an attempt to give the South Asian nation a viable alternative to diversify away from Russia, according to a senior official familiar with the plans.

In addition to trade, the EU will pursue a technology council with India that could include discussions on the general data protection regulation, social media and broader digitalization efforts, said the official, who asked not to be identified because the talks are private.

European Commission President Ursula von der Leyen is planning to meet with Indian Prime Minister Narendra Modi on April 25. The EU is India's third-largest trading partner and accounts for 62.8 billion euros ($67.8 billion) worth of trade in goods.

The EU and U.S. both are trying to establish closer ties with India, which is the world's top buyer of Russian weapons, which it says it uses to deter aggression from neighbors Pakistan and China.

Source: economictimes.indiatimes.com– Apr 25, 2022

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India, Canada resume FTA talks, eye interim deal

After a gap of almost five years, India and Canada resumed negotiations for a free trade agreement (FTA) last week and are eyeing an interim trade deal first to bolster bilateral commerce and investment, sources told FE.

Both the sides have agreed to intensify work towards ensuring market access for Indian farm products, such as sweet corn, baby corn and banana, etc and recognising Canada's systems approach to pest risk management in pulses, which would ease the inflows of Canadian pulses to India.

Canada has also agreed to examine expeditiously the request for conformity verification body status to APEDA (Agricultural and Processed Food Products Export Development Authority) to facilitate Indian organic export products. While India also wants greater market access for AYUSH products, Canada has sought access for its cherries and lumber.

While no time-frame has been firmed up yet for hammering out the interim agreement, official sources indicated that it could be concluded in 6-9 months; the broader FTA will follow. It will likely include high-level commitments in goods, services, rules of origin, technical barriers to trade, and dispute settlement.

The stage was set for the revival of negotiations after commerce and industry minister Piyush Goyal held talks with his Canadian counterpart Mary Ng here last month, as part of the fifth ministerial dialogue on trade and investment.

New Delhi and Ottawa launched negotiations for the Comprehensive Economic Partnership Agreement (CEPA), as the FTA is formally known, in 2010 and held the last round of formal talks in August 2017. During this period, they held ten rounds of negotiations on a broad range of issues, including goods and services, e-commerce, telecommunications, sanitary and phytosanitary measures, and technical barriers to trade.

The negotiations are a part of India's broader strategy to sign "balanced" trade agreements with key economies and revamp existing pacts to boost trade.

The move gained traction after New Delhi pulled out of the Beijing-dominated RCEP talks in November 2019. India signed an FTA with the UAE in February, its first with any economy in a decade, and a "substantial" interim trade deal with Australia in April. Similarly, London and New Delhi are eyeing a trade deal by Diwali in October.

The resumption of negotiations with Ottawa comes at a time when bilateral trade is running below potential and several Canadian companies — including Canada Pension Plan Investment Board (CPPIB) — have either announced multi-billion-dollar investments in India or enhanced focus on the country. Last year, CPPIB invested $800 million in Flipkart Group.

Although Indian goods despatches to Canada are less than 1% of its exports, a joint study before the FTA talks started in 2010 had estimated fairly symmetric gains for both the nations. Annual export gains for Canada were estimated to range between 39% and 47%, and for India, between 32% and 60%.

India's merchandise exports to Canada rose 26% until February last fiscal from a year before to $3.6 billion, while Canada's rose 14% to $2.9 billion.

Major Indian exports to Canada include drugs and pharmaceuticals, iron and steel, marine products, cotton fabrics and readymade garments, and chemicals, while key Canadian exports to India comprise pulses, fertilisers, coal and crude petroleum.

Source: financialexpress.com– Apr 25, 2022

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Indian govt may consider PLI-2 for textile sector: MoS Textiles

The Indian government is likely to float second Productivity Linked Investment scheme (PLI-2) so that other segments of the textile sector can also be promoted, minister of state (MoS) for textiles Darshana Vikram Jardosh told Fibre2Fashion after the inauguration of Fashion Meet- Expo at Gurugram on Thursday.

Over 500 top fashion buyers, exporters, manufacturers and foreign delegates from Australia, Canada and Korea are participating in the two-day expo organised by the Apparel Export Promotion Council (AEPC).

The minister said that many segments were left out in the previous PLI scheme. "Since the government wants to promote all the segments in the textiles sector, the Ministry of Textiles will prepare a fresh proposal for PLI-2 for approval."

About the timeline of new PLI scheme, the minister said that the government needs to consider financial implications of the scheme.

"PLI scheme will boost textile industry in the country as per government's vision of Local for Global," Jardosh said at the inaugural session of the expo.

Recently, the government has announced the selection of 61 investment proposals under PLI with a total investment of ₹19,077 crore. But the target was not fully achieved in terms of investment, employment, business and approved subsidy.

Speaking about the AEPC event, the minister said that such events and expo create vibrancy in the industry and bring buyers-seller on a single platform. She emphasised on the need of diversification in the textiles sector to focus on man-made fibre.

"Indian textile industry has vast potential to expand in the global market. India is a leading supplier in a number textile items in global market. India's share of various products is increasing constantly. But the entire value chain should be developed," she added.

In his speech at the inaugural session, AEPC chairman Narendra Goenka said, “Indian textile industry has potential to expand its market share in the global market. It needs support from the government to achieve the export target.” He appreciated the government’s initiatives like PLI and other programmes which will be instrumental for further growth.

The Fashion Meet- Expo ’22 hosted by AEPC - BAA - NAEC in collaboration with SOWTEX witnessed a footfall of over 500 fashion buyers, exporters and manufacturers besides participation of foreign delegates from Australia, Canada and Korea. The event included panel discussions, tech talk, tech innovation, and business growth.

Experts from the industry discussed on topics such as conceptualisation of Design Studio at Apparel House, stitching the Value Chain with Sustainability & Traceability, improvement of efficiency using the latest technology, Digital Efficiencies SMART Production Automation and quick & easy Ways to Build Fashion Exports. Industry experts such as Sevraj Syed, Director, TUKATECH, Europe; Puneet Dudeja, Director- Business Development, WGSN; Sonil Jain, Co-Founder & CEO, Sowtex Network; and several others shared their views and insights.

The two-day event aims to digitise textile eco-system and fast track design development process to capitalise on India’s recent FTAs with partner countries and achieve the target of $100 billion fashion exports by 2030.

Alongside the event, there is a showcase of selected 50 fabrics and trims manufacturers and fashion technology companies from India with their product development capabilities along with USPs based on trends, materials, technology to fashion buyers and manufacturers looking for sourcing quality, sustainable and innovative materials for domestic and international markets.

Source: fibre2fashion.com– Apr 22, 2022

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Several exporters get pending payments for shipments made to Russia

Several exporters have received pending payments for shipments made to Russia before February 24

-- the day Russia-Ukraine conflict began -- and Department of Financial Services is working with banks to facilitate clearance of remaining dues, a government official said.

Federation of Indian Export Organisations (FIEO) had shared with the Directorate General of Foreign Trade (DGFT) in March that Indian exporters have payments of about USD 400-500 million pending in Russia.

DGFT had shared that information with Department of Financial Services (DFS). About 60 per cent of the exporters have received their payments from Russian buyers and for the remaining, DFS is working to facilitate the payments, the official said.

Mumbai-based exporter and Chairman of Technocraft Industries, Sharda Kumar Saraf said some exporters have received their stuck payments but now it has stopped.

The government should immediately start rupee-rouble trade with Russia to push exports, Saraf said.

Ludhiana-based Hand Tools Association President S C Ralhan too said that several exporters have received their dues as all banks are not under sanctions.

The government should take some decision on the matter immediately as it could hamper our exports and they should allow rupee-rouble trade, Ralhan said.

FIEO Vice President Khalid Khan said payments are coming in sectors including pharma, and food.

However, still exporters are struggling to get money from Russia. The RBI should give clear directions to the banks to accept payments from all the sectors, Khan said.

FIEO Director General Ajay Sahai said that while exporters are concerned about pending payments , they are not unduly worried about defaults happening as some mechanism will be found to receive back exports proceeds.

Following Russia's invasion of Ukraine, the West has slapped a slew of sanctions on Russia and has also isolated the country from the payment systems, which is impacting settling trade payments.

Major export items from India to Russia include pharmaceutical products, tea, electrical machinery and equipment, organic chemicals and vehicles.

In the past too, India had devised a mechanism to pay for imports from Iran, when sanctions were imposed on the Persian Gulf nation.

India's exports to Russia stood at USD 3.2 billion in 2021-22 as against USD 2.7 billion in 2020-21. Imports were at USD 8.7 billion last fiscal year as against USD 7 billion in 2020-21.

Source: business-standard.com– Apr 25, 2022

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Rs 3,500 crore boost for spinning capacity in Gujarat

Riding on good revenues of the past two years and higher profit margins, spinners across Gujarat are bullish about augmenting manufacturing capacities for cotton yarn. Estimates of Spinners Association (Gujarat) or SAG suggest that an investment of Rs 3,500 crore is on the cards over the next year and a half, as 7 lakh new spindles will be added in Gujarat to boost the spinning capacity in the state.

Unprecedented profit margins were recorded last year. Therefore, many of these spinning mills have planned expansion. In fact, at least 10 new spinning mills are also expected to start operations during this period, according to SAG estimates.

“With cotton prices touching an all-time high, yarn makers can command better margins,” said Saurin Parikh, the SAG president. “Anticipating good demand and better business, many spinning mills have planned capacity expansion. Consequently, at least 7-10 lakh spindles will be added over the next 18-24 months.”

Gujarat is home to about 110 spinning mills with an installed capacity of 45 lakh spindles. Most of these mills were set up only after the Textile Policy of 2012 was implemented, rolling out incentives for yarn makers.

Bharat Boghara, the chairman of SAG, said: “Gujarat did not have significant spinning capacity despite being a leading cotton producing state till 2012.” Boghara added: “By 2017, the state saw new mills coming up and over the past five years, spinners have made huge profits riding on exports as well as on domestic demand.”

He went on to say: “Gujarat’s cotton quality is better than that of other states and there is higher demand for Gujarat cotton yarn in the international market too. New investments will strengthen our position in the textile sector.”

After the Covid-19 lockdown, the demand for cotton yarn significantly grew as manufacturers in the US and Europe changed their sourcing norms, moving away from China. The exports of India’s cotton yarn, fabrics, and made-ups increased by 55% to USD 15,297 million in 2021-22.

Industry experts said that India's cotton yarn and fabric exports will continue to rise strongly as the sector enjoys duty-free access to markets in Australia and the UAE.

A free trade agreement (FTA) between India and the UK is also on the cards. Augmenting spinning capacity in Gujarat will result in higher demand for cotton. Industry stakeholders have therefore emphasized on the need to increase the per-hectare yield of cotton.

Source: timesofindia.indiatimes.com– Apr 25, 2022

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