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INTERNATIONAL NEWS

Chinese ports' container handling volume rose 2.3% during Jan-May

The container handling volume at China's ports during the first five months of 2022 reached 116.48 million twenty-foot equivalent units (TEUs), recording a rise of 2.3 per cent compared to last year, according to data released by the ministry of transport. The container throughput in the country recorded a stable expansion during this period.

The total cargo throughput in China was 6.25 billion tonnes during January-May this year, down 0.5 per cent compared to the same period last year.

In the month of May, ports in China handled over 1.34 billion tonnes of cargo, while the container throughput was 25.43 million TEUs, Chinese media reports said quoting the data from the ministry.

Source: .fibre2fashion.com– June 21, 2022

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China's CCCT signs agreement with TESTEX for quality development

China Chamber of Commerce for Import and Export of Textiles (CCCT) has signed a strategic cooperation agreement with the Swiss Textile Testing Institute (TESTEX) to promote the high-quality development of the industry. At present, sustainable development has become a global consensus, which profoundly affects the competitive advantage and value logic of the industry.

On February 23, 2022, the European Commission proposed the Corporate Sustainability Due Diligence, in which the manufacturing and wholesale trade of textiles and garment are important fields. Multinationals are also channeling green ideas through supply chain management. The Chinese government announced in 2021 that it would achieve carbon peak by 2030 and carbon neutral by 2060, while the textile and garment industry has become one of the key areas of concern. At the same time, with the continuous strengthening of consumers; awareness of environmental protection, green consumption and sustainable fashion have gradually become a trend, and green development is changing from a cost constraint to a value source. Textile and garment industry is under pressure from both inside and outside, and transformation and upgrading is imminent, TESTEX said in a press release.

TESTEX was founded in 1846 and is headquartered in Zurich. With over 30 branches worldwide, TESTEX focuses on serving the textile industry. It is the official representative of the OEKO-TEX Association in China. As one of the most important members of OEKO-TEX, TESTEX is committed to providing Chinese enterprises with the most professional certification services for ecological textile products and sustainable textile production. In order to effectively deal with green trade barriers in European and American markets, promote green and sustainable development, and help Chinese textile and garment products and brands to establish a fashion, green and sustainable image in the international market. CCCT signed a strategic cooperation agreement with TESTEX Swiss Textile Testing Institute to cooperate to enhance the global competitiveness of Chinese textile and garment products.

From now on, CCCT and TESTEX will launch OEKO-TEX testing and certification services for all member enterprises. Member enterprises can obtain OEKO-TEX related certifications through CCCT. Compared with other channels in the market, this service highlights efficiency, convenience and accuracy which greatly facilitates members to obtain OEKO-TEX certifications.

The service includes OEKO-TEX certifications like green textile passport to European: STANDARD 100 by OEKO-TEX; traceable product label for transparent supply chain: MADE IN GREEN by OEKO-TEX; eco natural leather certification: LEATHER STANDARD by OEKO-TEX; eco dyes and chemicals certification: ECO PASSPORT by OEKO-TEX and sustainable textile production certification: STeP by OEKO-TEX.
In addition, it also includes UV protection certification: UV STANDARD 801; CE certification for PPE, Single test for textiles and Round Robin tests, etc.

Source: fibre2fashion.com – June 21, 2022

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Pakistan: Exports increase 40pc to Rs5.066tr in 11 months

The exports of the country in rupee term witnessed an increase of 40.12 per cent during the first eleven months of the current fiscal year as compared to the corresponding period of last year, Pakistan Bureau of Statistics (PBS) reported.

According to PBS provisional figures, exports during July–May (2021–2022) were recorded at Rs5,066,656 million as against Rs3,615,847 million during the corresponding period of last year showing an increase of 40.12 per cent, according to provisional data released by PBS.

Meanwhile, on year-on-year basis, the exports during the month of May 2022 increased by 100.49 per cent as compared to the exports of same month of last year. The exports in May 2020 were recorded at Rs513,475 million as compared to exports of Rs256,105 million during May, 2021. On month-on-month basis, the exports increased by 3.92 when compared to the exports of Rs.534,423 million in April 2022.

The main commodities of exports during May, 2022 were knitwear (Rs83,728 million), readymade garments (Rs62,887 million), bed wear (Rs55,008 million), cotton cloth (Rs45,215 million), rice others (Rs.32,065 million), cotton yarn (Rs.20,835 million), towels (Rs.18,035 million), made-up Articles, excluding towels & Bedwear (Rs.13,756 million), rice Basmati (Rs.11,868 million) and plastic materials (Rs.9,199 million).

On the other hand, imports during July–May, 2021- 2022 totaled Rs12,671,120 million as against Rs7,990,528 million during the corresponding period of last year showing an increase of 58.58 per cent.

Source: pakistantoday.com.pk– June 21, 2022

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Vietnam's : Garment-textile exports forecast to face challenges in second half

Vietnam's garment-textile exports are likely to encounter a host of challenges in terms of both market and supply chain in the second half of this year despite positive results in the first half, heard a seminar in Ho Chi Minh City on June 21.

The seminar on sustainable cotton supplies was jointly held by the Vietnam Textile and Apparel Association (VITAS) and the Cotton USA.

Vu Duc Giang, VITAS Chairman, said garment-textile exports in the first six months were estimated at 22 billion USD, up 23 percent year-on-year.

He attributed the results to the utilisation of free trade agreements, including the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) that has boosted the domestic industry over the past five years with its regulations on product origin.

Vietnam has emerged from a yarn importer to exporter, shipping abroad 5.6 billion USD worth of yarn last year, and some 3 billion USD in the first half of this year, he continued, noting that the shift was thanks to investments in technology and digital management.

The sector has also shifted towards green energy and water resources, thus better meeting international standards and winning confidence of customers. Giang, however, said escalating inflation in the US and Europe would affect orders in the third and fourth quarters of the year. Meanwhile, the ongoing Russia-Ukraine conflict, along with surging oil and gas prices and transportation costs, would push up production prices.

Echoing Giang's views, Than Duc Viet, General Director of Garment 10 Corporation, said the adverse impacts of COVID-19 can be seen in the disruption of supply chains and logistics services.

Given this, domestic enterprises said they have kept a close watch on the market to adjust their production plans, diversified material supplies, and sought new clients to maintain production.

Source: vietnamplus.vn – June 21, 2022

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Dhaka's nod likely for Indian firm's Bt cotton

With Bangladesh likely to approve commercial cultivation of genetically modified (GM) Bt cotton varieties sourced from an Indian company soon, seed manufacturers in the country have urged for regulatory approval of the new generation of herbicide-tolerant Bt (HTBt) cotton varieties whose application is pending with Genetic Engineering Appraisal Committee (GEAC).

According to Ram Kaundinya, director general, Federation of Seed Industry for India, the government has to go ahead with deployment of modern GM technology urgently to cut down on rising cost of pesticides and labour in cotton cultivation.

Commercial cultivation of two GM food crops – brinjal and mustard – approved by GEAC are yet to start in India even a decade after the approvals because the government hasn't yet decided in favour of GM foods.

"In case of oilseed crops like mustard, vegetable crops with huge pesticide consumption like Brinjal, which were already cleared by GEAC, must be given approval so that Indian farmers can benefit,"Kaundinya told FE.

Since the introduction of Bollgard-I, which was the country's first GM crop approved for commercialisation in 2002, followed by Bollgard-II,a pest-resistant cotton variety, which protects the crop from bollworm, in 2006, the GEAC has not approved any new varieties.

The approval for HTBt cotton was first sought by Bayer (then Monsanto) in 2016, but it withdrew the application in the subsequent year, citing delays in the process. Though the application was re-submitted by Bayer-Mahyco in December last year, the regulator is yet to take a call.

As recently reported by FE, because of GEAC's non-approval of new generation Bt cotton seeds such as HTBt cotton, a flourishing illegal trade in a new unapproved herbicide-tolerant variety has come to occupy nearly a fifth of the GM cotton seeds market in India.

Over three dozen seed companies, which are authorised to sell the transgenic Bt cotton by licence-holder Bayer Crop Science-Mahyco,warn that the illegal seeds, first seen in the market in 2019, could contaminate the regular Bt seed and lead to “heavy losses” for cotton growers.

“Bangladesh’s preference of Indian Bt technology in the past should be a wake up call for the environment ministry to seriously evaluate pending biotechnological applications and facilitate the process of approval of next generation Bt technologies,” Bhagirath Choudhary, founder director, South Asia Biotechnology Centre, said.

Since its introduction two decades ago, Bt cotton has led to a dramatic rise in India’s cotton yield and thereby, production, but over the last two-three years, the yield has come down marginally. The cotton production rose from 8.62 million bales (of 170 kg each) in 2002-03 to 34.04 MB in 2021-22.

Source: financialexpress.com– June 22, 2022

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Japan-China sea express resumes under RCEP after 7-year break

A sea express route between Qingdao in Japan's Osaka and east China's Shandong Province opened recently after the Regional Comprehensive Economic Partnership Agreement (RCEP) came into effect earlier this year for members, including the two countries. The development comes seven years after the closure of a similar route between Qingdao and Japan's Shimonoseki.

Vessels can be directly boarded with loading equipment such as forklifts and trucks, with shipping speed almost twice as normal through this route, and as a result, the entire voyage can be shortened by 24 hours.
Offering advantages in shipping time and costs, the new express route, together with the city's international airport, will help Qingdao build a foreign trade system that combines sea and air transport, according to official Chinese media.

Source: fibre2fashion.com – June 21, 2022

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Indonesia’s textile and garment sector faces complex future

After two years of pandemic-driven disruptions, the outlook for Indonesia’s textile and garment industry finally turned positive this year. However, the sector now faces a mix of factors. As per a Nekkei report, lenders’ reluctant to invest in the sector over lingering debt concerns is constraining growth besides increasing the cost of shipping and raw materials.

Boycott of China cotton over human rights issues presents new export opportunities for Asian countries like Indonesia. However, the proposed rules from the European Union forcing fast fashion companies to overhaul clothing designs, threatens growth. Following a contraction to 8.9 per cent in 2020 and 4.1 per cent last year, Indonesia’s textile and garment sector expanded 12.5 per cent Y-o-Y in the first quarter of this year, reveals Statistics Indonesia, as coronavirus lockdowns and shop closures weighed on sales and sent global logistics into disarray.

Besides operating with reduced capacity at factories and complying strict social distancing rules, Indonesian manufacturers have to contend with headwinds, including high shipping and raw material prices, limited access to funding and cheap Chinese imports undercutting local businesses.

Two of the country's largest listed manufacturers have had to ask their lenders to restructure their debt. These included PT Sri Rejeki Isman Tbk, or Sritex, which narrowly escaped bankruptcy in early January when most of its lenders agreed to a court-sanctioned debt restructuring process and producer of clothes for Ralph Lauren, Prada and Adidas, PT Pan Brothers, which needs to repay or refinance $309 million of debt, including a $171 million bond that matured in January, says Fitch Ratings.

Source: fashionatingworld.com – June 21, 2022

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NATIONAL NEWS

Hopeful for conclusion of India-UK free trade agreement by Diwali: Goyal

Union minister Piyush Goyal has expressed hope that the free trade agreement between India and the United Kingdom will be concluded by Diwali.

The minister for commerce and industry and textiles said that the government is moving ahead on free trade pacts with Canada, European Union and the UK.

Moreover, Goyal informed that Australia, Israel and the Gulf Cooperation Countries have expressed interest to forge Free Trade Agreements (FTAs) with India, along with Eurasia and Brazil.

The Gulf Cooperation Council (GCC) is a political and economic union of Arab states bordering the Gulf. It was established in 1981 and its six members include the United Arab Emirates, Saudi Arabia, Qatar, Oman, Kuwait and Bahrain.

Diwali in October was set as a timeline for a draft FTA after British Prime Minister Boris Johnson's talks with Prime Minister Narendra Modi during the former's visit to the country last month.

"All countries are eager to make friendship with India, as we offer huge opportunity and promise. We are moving ahead on FTA with Canada, EU, UK. Australia, Even GCC and Israel along with Eurasia and Brazil have shown their interest to forge FTA with India. I am hopeful that by Diwali, India-UK FTA will be concluded," Goyal said.

He was addressing at the inauguration of the 67th India International Garment Fair at Greater Noida on Monday.

He observed that apparel, fashion jewellery and MICE (Meetings, Incentives, Conferences and Exhibitions) are three industries where India has to grow.

Total trade between India and the UK stood at USD 16 billion in FY22 (Apr-Feb). The UK was India's 17th largest trading partner during the period.

A free trade agreement is a trade pact according to international law to form a free trade area between the cooperating states.

Source: financialexpress.com–June 21, 2022

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Compensation cloud hangs over GST Council meeting next week

With the payout coming to an end on June 30, States are seeking at least three years extension

The GST Council meeting, scheduled to take place in Chandigarh next week, is likely to thrash out the issue of compensation to States and Union Territories (UTs), which is coming to end on June 30.

What’s hot

While the Centre has maintained that it is committed for compensation to States/UTs for five years as per the Constitutional provision, States are seeking extension for at least three more years beyond the June 30 deadline. This issue had surfaced in the Lucknow meeting of the Council last year, too, but no consensus was arrived at. Subsequently, during the pre-Budget meeting and also during the last Council meeting in December, States raised the demand again.

As per Section 18 of the Constitution (101st) Act, 2016, Parliament shall, by law, on the recommendation of the GST Council, provide for compensation to States for loss of revenue arising on account of implementation of the goods and services tax for a period of five years from the date of its implementation. During the transition period, the States’ revenue is protected at 14 per cent per annum over the base year revenue of 2015-16.

Officials admitted that the issue of compensation will be in focus in the next week’s meeting. There are two options, either to amend the law to extend the due date or consider special grants for some States which have lower growth of GST collection. If the first option is exercised, there could be two problems — fund and rate of revenue growth for calculation of compensation.

Catch-22 situation

Rajat Mohan, Senior Partner with AMRG & Associates, said the Centre is in a catch-22 situation where it may be required to take a tough stance by refuting States’ request which may have political consequences as well. If the Centre decides to take a further loan to fund the deficit at a time where global recession is on the cards, it can cause serious economic repercussions for the country as a whole.

“In the instance that the prevailing law is amended, rate rationalisation, modification of the compensation cess formula, snipping of exemption list and securing a loan could be sources for the Centre to pay cess to the States. Such a move will necessitate a constitutional reform in India, which will be addressed in the next legislative session. It is not an ego battle between the Centre and the States, rather, this action will impose a higher burden on end customers — who have been the ultimate taxpayers,” he said.

Exploring other options

Bipin Sapra, Tax Partner with EY, said given that the future cess collections will majorly be used for payment of compensation-related borrowing, there is going to be an involved discussion to find a solution. “This problem will be more acute for some States, while some may have grown at a better rate as compared to previous years,” he said.

Sapra felt given a large chunk of compensation cess collection will go towards payment of loans, the government may look at payment of additional funds. Since no new levies are proposed, given the inflationary conditions, other options need to be explored. “There would also be a need to pay compensation differentially, depending on various factors, including the growth of GST collections in the State. While the Centre and States may differ on compensation needs, the current growth rate of GST collections will help in assuaging the situation,” he opined.

Source: thehindubusinessline.com– June 21, 2022

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Registration norms may be relaxed for small e-commerce businesses

Small businesses with annual turnover up to ₹40 lakh and ₹20 lakh for goods and services, respectively, to get exemption

The GST Council in its meeting next week is also likely to consider a proposal to relax compulsory registration norms for small businesses, which use any e-commerce platforms to sell products. Such a move, once implemented, will help small businesses in big way.

A senior government official told BusinessLine that the proposal is expected to come with certain riders. First, exemption will be available up to aggregate turnover on all-India basis not exceeding the turnover, as prescribed under the law. In other words, small businesses having annual turnover up to ₹40 lakh and ₹20 lakh for goods and services, respectively, (₹20 lakh and ₹10 lakh, respectively, in select States) will get exemption. Second, such businesses will not be required to make any inter-State taxable supply. Additionally, they will be required to declare PAN and principal place of business.

"E-commerce operators will not be required to deduct Tax Collected at Source (TCS) from such suppliers," the official explained. Further, composition dealers (having turnover up to ₹1.5 crore a year) may also be permitted to make supplies through e-commerce operator. This will also have some conditions such as the concerned composition dealer is not engaged in supply of goods or services which are not leviable to tax and not engaged in inter-State supply.

Annual returns

The Council is also expected to consider another proposal in the interest of small businesses. "Businesses with annual turnover of ₹2 crore may be given an exemption from filing annual returns (GSTR 9 and 9A) for FY22," the official said. This exemption was given for FY21 as well. For other businesses, the effort would be to notify GSTR9 and GSTR9 C at the earliest. "These forms are likely to be notified with minimal changes to the ones notified for FY21," he said.

Source: thehindubusinessline.com– June 21, 2022

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India, Australia to start negotiations on full CECA soon

To go beyond recently concluded ECTA deal; may cover digital trade, government procurement, investment protection, more farm produce

India and Australia are preparing to "rapidly" start negotiations on a full comprehensive economic cooperation agreement (CECA) which will go beyond the recent free trade agreement (FTA) forged between the two countries and explore areas that had been left out such as government procurement, investor protection, digital trade as well as a variety of farm produce.

While the India-Australia FTA, officially called the Economic Cooperation and Trade Agreement (ECTA), is expected to be ratified by the Australian Parliament in a few months time, Australian officials have indicated that talks for the full-fledged CECA would begin soon, an official tracking the matter told BusinessLine.

"This also shows that Australia's new Labour Party government sworn in last month is as keen on taking forward economic ties with India as the previous one," the official said.

In fact, Australia's new Minister for Trade and Tourism Don Farell met Commerce & Industry Minister Piyush Goyal on the sidelines of the WTO Ministerial Conference in Geneva last week, to discuss ratification of the ECTA and start of CECA negotiations.

"I confirmed the Australian government's intention to work efficiently though Australia's parliamentary processes to ratify the Australia-India ECTA quickly, so we can deliver immediate trade benefits for our countries. Minister Goyal and I also committed to move rapidly to commence negotiations on the full CECA and capitalise on the enormous potential for closer economic ties between Australia and India," Farrell said after the meeting.

ECTA pact

The India-Australia ECTA signed on April 2 is a fairly ambitious agreement in goods. Australia has agreed to provide zero-duty market access for 96.4 per cent value of Indian exports on the first day of implementation of the agreement while India has agreed to do so for 85 per cent of Australian goods.

New Delhi, however, managed to get most agricultural items and all dairy products excluded from the ECTA, as these were highly sensitive items crucial for ensuring the protection of the farm sector from unbridled competition. The FTA seeks to double India-Australia trade to $50 billion by 2030.

In the CECA, the Australian side is keen to include some agricultural items such as nuts, pulses, grains, oilseeds, cotton and wool in addition to processed food and beverages.

"Australia will also seek improved access for service suppliers, and moder ninvestor protections to increase investor confidence and drive investment, with appropriate safeguards for governments' rights to regulate. An agreement could facilitate digital trade by including modern and forward-looking rules which support the use of digital tools to enable trade," according to an update by the Department of Foreign Affairs and Trade (DFAT) on the country's India Economic Strategy to 2035.

India and Australia had agreed to start negotiations on a full-fledged India-Australia CECA within 75 days of the signing of ECTA.

Source: thehindubusinessline.com– June 21, 2022

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Cotton acreage seen rising 12 per cent to 135 lakh ha despite drop in North

Gujarat to see highest area expansion, says CAI

Notwithstanding the marginal decline in cotton acreage in northern states such as Punjab and Haryana, the area under the fibre crop is set to rise by 8 to 12 per cent this year to about 135 lakh hectares (lh) as farmers in Western, Central and Southern zone are seen planting more of the fibre crop on higher prices.

The Cotton Association of India (CAI), the apex trade body, is bullish about the sowing prospects this kharif season. “Sowing will increase by 12 per cent and go up to 133-135 lakh hectares from last year’s 120 lakh,” said Atul Ganatra, President, CAI.

Ganatra further said the increase in acreage expansion will be the highest in Gujarat, the largest producer of the fibre, at around 20-25 per cent.

Cotton planting, which started mid-April in Punjab and Haryana, is complete and the acreage is lower than last year’s levels and much lesser than the targets fixed by these States for the year.

“There is a marginal decline in Punjab and Haryana due to issues such as water availability during the planting season. However, the overall cotton area in the country will go up definitely this year and there should be at least 7-8 per cent increase in acreage because of high prices and short supply,” said YG Prasad, Director of Nagpur-based ICAR-Central Institute of Cotton Research.

Prasad further said most of the Central cotton growing regions have received rains and farmers are busy with sowing.

In Karnataka, the cotton area till June 10, had doubled to over 1.21 lh compared with 0.59 lh in the previous year. Karnataka has set a target of 7.28 lh this year. Andhra Pradesh has also sharply raised the cotton acreage target to 6.11 lh for the current year over last year’s cropped area of 5.33 lh.

Tarun Satsangi, AGM Research, Origo e-Mandi, said the decline in Punjab and Haryana would be offset by increase in Gujarat and Maharashtra, the major producers, where sowing will start by end of this month. "We believe that cotton crop area for the country as a whole will be higher by 5 per cent this year," Satsangi said.

While Haryana has seen a 3 per cent decline at 6.28 lh this year, in Punjab the acreage would be around 2.48 lh — lower than last year's 2.51 lh. Punjab had set a target of 4 lh, while Haryana was targeting an area of 7 lh this year.

Though the acreage under the fibre crop in Rajasthan, which stood at 4.72 lh till recently, is seen catching up, the overall area would be around 7 lh — lower than last year's 7.66 lh, Satsangi said. Rajasthan had set a target of 8 lh for the current year.

Source: thehindubusinessline.com– June 21, 2022

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FTAs with UAE, Australia to boost apparel exports: AEPC

Free trade agreements (FTAs) signed by India with the UAE and Australia will boost product and market diversification of the apparel sector's existing basket, AEPC said on Tuesday.

Apparel Export Promotion Council (AEPC) Chairman Naren Goenka said the global apparel market, which was just under USD 1.5 trillion in 2013, is expected to generate revenues to the tune of USD 1.8 trillion in 2022 and USD 1.9 trillion in 2025.

He said India offers the world a complete value chain solution from farm to fashion.

Talking about the ongoing 67th India International Garment Fair (IIGF) at Greater Noida, he said it provides a direct marketing platform to MSME exporters from across the country, as it has brought together almost 500 exhibitors and more than 2,000 overseas buyers and buying agents.

The buyers are visiting from countries like the US, Brazil, Japan, UK, Spain, Australia, Poland, Colombia, Greece, Italy, and Egypt.

"The council is taking efforts towards promoting Brand India at various global platforms, showcasing its strength on sustainability, circularity, ethical sourcing and manufacturing, labour standards, women employment with no child labour," Goenka added.

The fair was inaugurated by Textiles Minister Piyush Goyal on June 20. "I have set a modest target for the apparel sector, which is to double the production and triple the exports. So, this 15 per cent growth is achievable," Goyal has said.

Source: financialexpress.com – June 21, 2022

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Cotton demand, production, supply remain below estimates during the 2021-22 season: CAI

Against its earlier prediction of cotton production reaching 323.63 lakh bales of 170 kg each, during the 2021-22 season, Cotton Association of India (CAI) now estimates, cotton production for the season, starting from October 01, 2021 to May 2022, declined by 8.31 lakh bales to 315.31 lakh bales of 170 kg each.

Demand declines to 315 bales

Cotton demand declined during the current crop year to 315 lakh bales of 170 kg each as against the previous demand estimate of 320 lakh bales of 170 kg each. Domestic demand for cotton is estimated to have reached 225 lakh bales of 170 kg till May 31, 2022. Export shipments until the period are estimated to have reached 38 lakh bales of 170 kg each. CAI is estimated to have left with stocks equivalent to 104.22 lakh bales of 170 kg each by May 21, 2022. This included 70 lakh bales of 170 kg each stocks with textile mills, and the remaining 34.22 lakh bales of 170 kg each stocks with the CCI, Maharashtra Federation and others.

Opening stock remains stagnant

CAI further estimates, the association supplied 368.22 lakh cotton bales of 170 kg each from October 2021-May 2022. This mainly included arrivals of 288.38 lakh bales of 170 kg each, 7 lakh bales imports of 170 kg each and the opening stock of 71.84 lakh bales of 170 kg each at the beginning of the season. The opening stock for the season is estimated to have been 71.84 lakh bales of 170 kg each. This is equivalent to stock finalized by the Committee on Cotton Production and Consumption (COCPC) at its meeting on May 23, 2022 by revising its crop estimate by 3.16 lakh bales of 170 kg each in its earlier opening stock estimate of 75 lakh bales of 170 kg each.

Supply declines by 11.47 lakh bales

As per CAI Crop Committee, total cotton supply till September 30, 2021 declined by 11.47 lakh bales to 402.16 lakh bales of 170 kg each as against it previous estimates of 413.63 lakh bales of 170 kg each. This included the opening stock of 71.84 lakh bales of 170 kg each at the beginning of the cotton season on Ocober 1, 2021, production of 315.32 lakh bales of 170 kg each as against the previous estimate of 323.63 lakh bales of 170 kg each and the imports of 15 lakh bales of 170 kg each.

Domestic demand during the period declined to 315 lakh bales of 170 kg each as against the previous estimate of 320 lakh bales of 170 kg each. The association export's as 40 lakh bales of 170 kg each (equivalent to 42.50 lakh running bales of 160 kgs. each). Exports declined to 78 lakh bales of 170 kg each while end stocks declined to 47.16 lakh bales of 170 kg each.

Source: fashionatingworld.com – June 21, 2022

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India's textile dyes market to grow to $8 billion by 2031: IBEF

The latest India Brand Equity Foundation (IBEF) report forecasts, India's textile dyes market will grow to $8 billion by 2031. Most of the growth will be stimulated by rapidly evolving fashion trends encouraging manufacturers to experiment with new color combinations and designs. The market will grow at a CAGR of over 6 per cent through 2031.

Dyes market to grow driven by Asian region

By 2022-end, the textile dyes market is expected to reach a value of $6 billion. Its estimate growth rate during the year will be 5 per cent. Most of this growth will be driven by the Asian region with India and China emerging as growth leaders. By 2031, the India, South Korea and Australia markets will collectively reach a value of over $600 million by 2031.

Demand for direct textile dyes is expected reach over $2 billion by 2031. Meanwhile reactive textile dyes will experience fastest growth at approximately 7 per cent CAGR until 2031. This will be followed by polyester textile dyes which too will grow at 7 per cent CAGR while dyes for viscose fibers will grow at 6 per cent CAGR.

India's textile production, which grew 6 per cent in FY2018-19, is expected to reach $23 billion by 2027 the IBEF report states. According to Textile World estimate, China will dominate the textile dyes market in this period with 66 per cent of global production exceeded 50 million tons. China will generate $2 billion revenues from textile dyes during the period.

Rising concerns over excessive use of synthetic chemicals is propelling demand for organic dyes, says a senior analyst. The FactMR report names Lanxess AG, Huntsman International LLC, Atul Ltd, Anand International, Dystar Singapore, Kiri Industries as some of the prominent textile dyes manufacturers in India. The report states, Lanxess AG acquired 100 per cent share of Emerald Kalama at a purchase price of $1billion. The move aims to consolidate the company's position as specialty chemicals manufacturers.

In June 2019, Organic Dyes and Pigments LLC enhanced its capabilities by relocating two of its facilities. These included combining scattered offices in Rhode Island into one single facility, and combining their Concord NC and Union SC offices into one.

Source: fashionatingworld.com– June 21, 2022

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Agnipath scheme golden opportunity to engage personnel: Welspun chairman

Welspun Chairman BK Goenka on Tuesday said the Centre's Agnipath scheme is a golden opportunity for the industry to engage highly skilled, disciplined and talented personnel, and the group has committed to offer jobs to those who have undergone four-year defence services under the programme.

Joining the chorus of other India Inc leaders -- including Mahindra Group chief Anand Mahindra and Tata Sons Chairman N Chandrasekaran, who on Monday had rallied behind the scheme -- Goenka said Agniveers will find suitable openings at different levels in Welspun, a group with interests in line pipes, home textiles, infrastructure and steel, among others. "Agnipath scheme is a golden opportunity for the industry to engage highly skilled, disciplined, and talented personnel in their organisations," he said in a statement.

With minor orientation on industrial machinery, Goenka said, "They will be able to deliver quality output. The Agniveers will find suitable openings at different levels in Welspun". The Agnipath scheme for the armed forces, announced on June 14, provides for the recruitment of youth between the age bracket of 17-and-half years to 21 only four years, with a provision to retain 25 per cent of them for 15 more years. The others would retire without gratuity and pension benefits. Later, the government extended the upper age limit to 23 years for recruitment in 2022.

Protests have erupted in several states against the scheme.

Welspun said it is putting its "foot forward in the right direction with conviction by announcing that it will offer great career opportunities to our honourable Agniveers".

"The organisation has arrived at the decision in its endeavour to support the government's agenda of building a stronger tomorrow for the nation. Welspun believes in the capabilities attained by our forces due to the highly comprehensive training imparted to them too," the statement said.

Source: business-standard.com– June 21, 2022

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Govt may help MSMEs to reduce impact of plastic ban

Amid fears over small traders being hit hard by the ban on single-use plastic starting 1 July, the Union government is considering measures to ensure the least possible impact on these businesses.

Earlier this month, the ministry of micro, small and medium enterprises (MSMEs) held a meeting with industry participants on their concerns and sought recommendations on the issue, following which inter-ministerial meetings have been held, people in the know of the developments said. The Union ministry of environment, forest and climate change will implement the ban and consultations have been underway along with MSME ministry and policy thinktank NITI Aayog over its implementation and steps to minimize the impact on industry.

MSMEs' main demand was a postponement of the ban in order to give them time to be prepared. But stakeholders have also suggested a staggered ban along with financial support for small businesses to adopt alternatives such as biodegradable products which are usually more expensive.

Industry representatives have suggested a number of measures including viability gap funding for new machinery and lowering of customs duty in case raw materials for alternatives need to be imported. A major concern of the industry is the non-availability of domestic alternatives and raw materials. According to India SME Forum, the raw material needed to make paper sticks which will replace plastic sticks is not available in India. Though Indian paper companies are now making paper for hollow straw pipes, they have not been able to develop the right kind of paper for solid rolled, small-diameter sticks for cotton ear buds.

The matter has been in development for more than a year and the industry is looking at a solution in the coming months, according to the forum.
Vinod Kumar, president, India SME Forum said that at present, paper is being imported by a few MSMEs from Finland and Sweden to make sticks. But imported paper is expensive and increases product costs by 75%, which he said is not feasible.

Further, according to industry estimates, India's plastic exports have grown at a strong pace from $5.08 billion in 2014-15 to $ 9.5 billion in 2020–21 and is expected to reach $12 billion in 2022–23. The export of single-use plastic items from India has grown by 53% to reach $832.15 million in 2021-22 from $542.49 million in 2020-21, with the US, Canada, the UK and UAE among the major buyers.

The ban would severely hit exporting businesses. "Post the ban, only the businesses in SEZs will be allowed to manufacture single use plastics, but these small businesses are not part SEZs. Hence, the government should allow a leeway for production for exports," said Kumar.

Source: financialexpress.com– June 22, 2022

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