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INTERNATIONAL NEWS

US textiles & apparel imports up 31.59% in January-May 2022

The import of textiles and apparel by the US continues to grow at high rate and rose by 31.59 per cent to $54.859 billion in the first five months of 2022, compared to $41.688 billion in the same period of 2021.

With 27.01 per cent share China continues to be the largest supplier of textiles and clothing to the US, followed by Vietnam with 13.74 per cent.

Apparel constituted the bulk of textiles and garments imports by the US in January-May 2022, and were valued at $40.939 billion, while non-apparel imports accounted for $13.920 billion, according to the latest Major Shippers Report, released by the US department of commerce.

Segment-wise, among the top 10 apparel suppliers to the US, imports from Indonesia and Bangladesh shot up by 59.75 per cent and 59.06 per cent year-on-year respectively.

Imports from Pakistan and India too grew at 56.49 per cent and 55.06 per cent respectively. The imports from Honduras, which is also among the top 10 suppliers, registered a growth of 31.18 per cent compared to the same period of the previous year.

In the non-apparel category, among the top 10 suppliers, imports from Cambodia soared by 66.88 per cent year-on-year. Imports from Vietnam and Italy too climbed 31.05 per cent and 29.91 per cent respectively. On the other hand, imports from Turkey dipped by 9.38 per cent.

Of the total US textile and apparel imports of $54.859 billion during the period under review, man-made fibre products were worth $27.534 billion, while cotton products accounted for $24.521 billion, followed by $1.510 billion of products from silk and vegetable fibres, and $1.294 billion of wool products.

In 2020, the US textile and apparel imports had decreased sharply, mainly on account of the COVID-19 pandemic induced disruption, to $89.596 billion compared to imports of $111.033 billion in 2019. But imports rebounded again in 2021 to surpass pre-pandemic level and ended at $113.938 billion.

The latest import figures indicate that US economy is witnessing fast recovery, and the world's largest economy is continuing to support economic recovery in developing countries.

Source: fibre2fashion.com– Jul 11, 2022

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Global trade reaches $7.7 trn in Q1 2022, slows in Q2

The value of global trade rose to a record $7.7 trillion in Q1 2022, an increase of about $1 trillion relative to Q1 2021, according to UNCTAD's Global Trade Update. The growth, which represents a rise of about $250 million relative to Q4 2021, is fuelled by rising commodity prices, as trade volumes have increased to a much lower extent. Though expected to remain positive, trade growth has continued to slow during Q2 2022. Trade growth rates in Q1 2022 remained strong across all geographic regions, although somewhat lower in the East Asia and Pacific regions. Export growth has been generally stronger in commodity-exporting regions, as commodity prices have increased, the UNCTAD report said.

Trade in merchandise goods reached about $6.1 trillion, an increase of about 25 per cent relative to Q1 2021, and a jump of about 3.6 per cent relative to Q4 2021. The value of merchandise exports from developing countries was about 25 per cent higher in Q1 2022 than in Q1 2021. In comparison, this figure is about 14 per cent for developed countries. Merchandise trade between developing countries also strongly grew during Q1 2022. "The war in Ukraine is starting to influence international trade, largely through increases in prices," the report said. Rising interest rates and the winding down of economic stimulus packages will likely have a negative impact on trade volumes for the rest of 2022. Volatility in commodity prices and geopolitical factors will also continue to make trade developments uncertain.

The report added that the evolution of world trade for the remainder of 2022 is likely to be affected by slower-than-expected economic growth due to rising interest rates, inflationary pressures and concerns over debt sustainability in many economies. The war in Ukraine is affecting international trade by putting further upward pressure on the international prices of energy and primary commodities.

In the short term, because of the inelastic global demand for food and energy products, rising food and energy prices would likely result in higher trade values, and marginally lower trade volumes. Other factors expected to influence global trade this year are continuing challenges for global supply chains, regionalisation trends and policies supporting the transition towards a greener global economy.

Source: fibre2fashion.com– Jul 09, 2022

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UK exports to Vietnam grow by 23.6% in 2021 after UKVFTA

UK-Vietnam trade reached $6.6 billion in 2021—a rise of 17 per cent year on year (YoY) and equivalent to the pre-pandemic period. While Vietnamese export to the United Kingdom rose by 16.4 per cent YoY to $5.7 billion, UK's exports to Vietnam also rose by 23.6 per cent YoY to $850 million, according to data from the General Department of Vietnam Customs.

The UK-Vietnam Free Trade Agreement (UKVFTA) came into effect in early 2021.

In 2021, import of textile, garment and footwear materials from the United Kingdom witnessed a growth of 24.7 per cent, according to a news agency report.

Government data showed in the first half of 2022, the country exported $2.9 billion of commodities to the United Kingdom while importing goods worth more than $372.5 million.

Source: fibre2fashion.com– Jul 10, 2022

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Timeline – Sri Lanka's economic crisis and the apparel sector

As most of the world focuses on overcoming the Covid pandemic that has raged on for the last two years amid a backdrop of a war in Ukraine and rising inflation rates, Sri Lanka is in the midst of a huge battle of its own due to what is being described as its worst economic crisis in decades.

Dr Sheng Lu, associate professor of fashion and apparel studies at the University of Delaware tells Just Style exclusively that like many developing countries, the export-oriented apparel sector plays a crucial role in Sri Lanka's economy.

He notes Sri Lanka's apparel sector accounts for more than 40% of the country's total exports, and Western fashion brands such as Patagonia, Calvin Klein, Nike and Ralph Lauren typically source tops, bottoms and jeans from the region, especially for medium-priced items.

However, Dr Lu suggests the country's recent economic turmoil and political instability could negatively affect Sri Lanka's apparel exports.

"Some Western fashion brands and retailers have started to move sourcing orders from Sri Lanka to other nearby countries to mitigate the risks. Also, Sri Lanka's garment production relies on imported textiles heavily. As the financial crisis continues, it becomes increasingly concerning that garment factories in Sri Lanka may not be able to afford to purchase needed textile raw materials and fulfil sourcing orders."

Just Style has been closely following events as the economic crisis in Sri Lanka has developed, analysing what it means for the nation's apparel and textiles sector as well as the impact it could have on global supply chains.

Click here for more details

Source: just-style.com– Jul 08, 2022

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China continues to have dominant share in Australian textile imports

Despite soured diplomatic relations between the two, China continues to enjoy dominant position in textile and apparel imports by Australia. In the first five months of this year, over 60 per cent of textile products (apparel and home textiles) imported by Australia originated in China. In 2021 too, China took over 50 per cent share in Australian imports.

Considering Australian apparel imports during January-May 2022, China accounted for 63.15 per cent of total import of $2.726 billion.

The other countries among top five suppliers were Bangladesh with 11.03 per cent share, followed by Vietnam with 6.1 per cent, India 3.53 per cent, and Indonesia 3.13 per cent, according to data from Fibre2Fashion's market insight tool TexPro.

Last year, China share was 62.82 per cent in Australia's total apparel imports of $7.382 billion. The other countries in top five suppliers were Bangladesh, Vietnam, India and Indonesia.

In terms of home textiles imports by Australia during the first five months of 2022, China supplied 54.09 per cent of total import of $836.959 million, as per TexPro.

India stood a distant second with 11.49 per cent share, followed by Singapore with 8.73 per cent, Pakistan 5.17 per cent, and Bangladesh 3.07 per cent.

In 2021, Australia's home textiles imports stood at $2.374 billion, of which 58.32 per cent of suppliers came from China. India, Pakistan, United States and Bangladesh were the other suppliers among top five.

Source: fibre2fashion.com– Jul 10, 2022

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Chinese textile industry suffers profit erosion, orders flow to Vietnam, India

Due to the shrinkage of global markets and subsequent fall in demand, Chinese Textile Industries suffered profit erosion throughout the pandemic period and will continue to bear the loss due to rising raw material prices, read a report by First Finance and Economics Daily of China.

The report revealed that since the onset of 2020, the textile industry has been experiencing massive losses as the industry is unable to raise product prices due to the pandemic.

Moreover, orders are 40 per cent lower than last year, the report added.

According to the estimate of the China Chamber of Commerce for Import and Export of Textiles, the scale of China's textile and apparel order transfer was about 6 billion US dollars in the first half of 2020, of which the cotton textile order transfer scale was about 1 billion US dollars.

Twenty-six per cent of companies underlined that the proportion of outbound customer orders was more than 30 per cent, and 39 per cent of companies said that the proportion of outbound customer orders was between 10 per cent and 30 per cent, the report by First Finance and Economics Daily of China stated.

Meanwhile, more than 90 per cent of the enterprises said that the current order schedule has been shortened compared with the second half and fourth quarter of last year and almost 59 per cent of the companies' orders are scheduled for 13 months.

As per the import and export data, the growth rate of China's apparel and home textile products showcased a relatively obvious slowdown trend as the Industry insiders revealed that this year most garment factories' orders will be completed by September.

Due to industrial transformation and upgrading, changes in the layout of the industrial chain, and the impact of tariffs imposed by the United States on China, there was an outflow of Chinese export orders before the outbreak of the COVID epidemic, however, the production continued only till November.

According to data from the US Department of Commerce, China's share of US cotton textile and apparel imports in 2021 dropped from 23.5 per cent in 2019 to 17.1 per cent, and its share of cotton apparel imports dropped from first place in 2019 to second place, and Vietnam became the second major supplier.

China's share of US cotton textile and apparel imports slipped to 15.3 per cent, which has been surpassed by Vietnam, Bangladesh followed by India.

In fact, the main reason for the poor market was the lack of demand as the consumer market was frozen due to epidemic prevention and control and the shrinkage of foreign markets.

Cotton textile orders are mainly transferred to India, and clothing orders are mainly transferred to countries such as Bangladesh, Vietnam, India, Indonesia, and Cambodia.

The China Chamber of Commerce for Import and Export of Textiles recently conducted a survey on enterprises, and 85 per cent of the enterprises indicated that the outward migration of customer orders was obvious, the report read.

Source: economictimes.com– Jul 09, 2022

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Support for free trade in China is declining rapidly

Public opinion in China looks to be shifting to be less in favor of open trade, according to a study from the Peterson Institute of International Economics (PIIE). The Institute conducted three surveys in China since the U.S.-China trade war began in 2018, each coinciding with key events as the trade war escalated. With each survey, support for free trade declined.

After the U.S. increased tariffs from 10% to 25% in 2019, one survey found that support for open trade fell sharply, from an average of 6.5 out of 10 to 4.3 out of 10. A score under 5 means that free trade isn't favorable.

The findings show a growing desire in China for reciprocity. "Direct" reciprocity refers to "declining support for cooperation with countries that do not themselves cooperate." "Generalized" reciprocity is more encompassing, referring to an aversion to trade with all other countries. Both forms saw increases among the public.

The findings also suggest that China's policy in its eye-for-an-eye battle with the U.S. has been influenced by public opinion, at least in part. China requested comments from the public in February 2018 on how it should respond to Trump's tariffs. It soon levied 25% tariffs on more than 100 American products.

"If the regime were to make trade concessions to the United States in the face of strong domestic opposition, this would risk a potentially destabilizing domestic backlash," the authors of the study wrote. Sentiment doesn't seem to have eased as Biden became president, as a survey conducted after he took office showed next to no change.

According to the South China Morning Post, China's top legislature said in March that self-reliance has become its chief economic focus.

As of early July, Biden and his administration remain divided on whether tariffs on China should be kept or discontinued. An answer will have to be made soon, as they automatically are set to expire after four years.

Source: hometextilestoday.com– Jul 08, 2022

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Turkish textiles to get boost as Israel set to reopen economic office

Israel's ministry of economy and industry is all set to reopen its economic office in Turkiye's capital city of Istanbul on August 1 this year. This will give a boost to Turkiye's textile and apparel exports to Israel. Turkiye was the fourth most important trading partner in the Israeli economy and the fifth most important export destination in 2021.

For Israel, the reopening of the economic attaché in Istanbul will benefit about 1540 companies currently exporting to the Turkish market and help strengthen their business operations within this market, according to the Foreign Trade Administration of the Israeli ministry.

The Israel-Turkiye bilateral trade of goods and services stood at $7.7 billion in 2021 with an increase of 30 per cent over 2020. Of this Israel's exports accounted for $1.9 billion, also 30 per cent increase compared to $1.4 billion in 2020.

In the textile and apparel sector, the flow of goods is majorly from Turkiye to Israel, which is now expected to pick up further momentum after the economic office is opened. Israel imported apparel worth $319.380 million in 2021, $219.838 million in 2020 and $234.280 million in 2019 from Turkiye. In the first quarter of this year, the figure stood at $92.898 million, according to Fibre2Fashion's market insight tool TexPro.

During January-March 2022, Israel imported home textiles valued at $20.282 million, as per TexPro. The home textile imports were $81.317 million in 2021, $48.159 million in 2020 and $42.157 million in 2019.

Source: fibre2fashion.com - Jul 09, 2022

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Volume of exports of Uzbek products to Europe increased by 86%

In the first five months of 2022, trade turnover between Uzbekistan and the countries of the European Union (EU) increased by 22%, while exports from Uzbekistan to the EU increased by 86%, Trend reports citing Kun.

Among the product categories that showed the greatest growth were chemical products (6-fold growth), textiles (90% growth) and food products (65% growth).

To a large extent, this was achieved by Uzbekistan in 2021 as a beneficiary of the EU's Generalized System of Preferences GSP+.

Deputy Prime Minister - Minister of Investments and Foreign Trade Sardor Umurzakov met in Brussels with the Chief Advisor to the President of the Council of Europe on Foreign Policy Simon Mordu.

In the course of the meeting, the parties discussed the results of the visit of the EU monitoring mission to Uzbekistan within the framework of the GSP+ system and identified further measures to ensure compliance with the requirements of all 27 international conventions ratified by the country in order to use its advantages as a beneficiary of this system.

Turning to the topic of accession to the World Trade Organization (WTO), the Uzbek side expressed gratitude for the support of the EU in organizing and holding the 5th meeting of the Working Group on Uzbekistan's accession to the WTO. Further efforts on cooperation in this direction are determined.

Source: en.trend.az- Jul 10, 2022

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Australian Cotton Conference unveils programme schedule

With the theme #HEREFORGOOD, delegates can expect to be informed and challenged by a range of technical and non-technical topics that puts Australian cotton at the cutting edge of agriculture, at the Australian Cotton Conference that will begin from August 16. The conference will be hosted by Cotton Australia and the Australian Cotton Shippers Association.

A holistic and considered programme of expert (and entertaining) speakers drawn from inside and outside cotton, cutting edge research and innovation, practical advice and good old fashioned conversation, will engage and inspire delegates from the farm, right along the cotton supply chain.

The conference will host sessions on topics such as opportunities for carbon and nitrogen farming, developments and opportunities for smart sensing in cotton, doing business differently, tax issues for carbon farming, measuring the social wellbeing of the cotton industry in Australia, smart sensing and automation, taking cotton's pulse in the market, driving WUE by replacing flood systems with simple low cost drip and such others, the case for changing our understanding of temperature responses of cotton, Bayer Crop Science cotton pipeline and research priorities, moving the farm to carbon energy neutrality, Fish entrainment: A mitigation prioritisation process, the organisers said.

The delegates will celebrate the end of conference at the gala 2022 Australian Cotton Industry Awards Dinner.

Source: fibre2fashion.com- Jul 08, 2022

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Indonesia to help tap ASEAN market

"There is a need for trade expansion with Pakistan beyond traditional products and focus on other sectors, and simultaneously for Islamabad to expand its presence in the Asean market," the envoy said during a meeting at the Lahore Chamber of Commerce and Industry (LCCI).

Tugio emphasised that regional trade connectivity was vital for the global economy and the conclusion of a free trade agreement (FTA) would provide benefits as well as improve economic growth.

He underscored the need for exploring the potential of Islamic economy since one-quarter of the world population was Muslim. "Action must be taken to capitalise on the benefits of D-8 cooperation among eight Muslim countries which include Indonesia, Pakistan, Bangladesh, Egypt, Iran, Malaysia, Nigeria and Turkey."

The envoy emphasised that there were significant opportunities to strengthen bilateral trade between Indonesia and Pakistan. Along with the import of palm oil, "we should also improve our mutual trade cooperation in textile, pharmaceutical goods, herbal medicine, spices and other important areas".

Speaking about Indonesia's ban on the export of palm oil, Tugio stated that Jakarta temporarily imposed restrictions due to price spike and shortage of palm oil in the domestic market, which made it extremely difficult for the locals to purchase cooking oil. "The restriction has now been lifted and palm oil export has resumed to the entire world, including the immediate supply of 10 containers of edible oil to Pakistan."

The ambassador announced that the first "Indonesia Corner" would be established at the University of Peshawar and another such corner may be set up in Lahore to strengthen cultural ties and collaboration in the education sector.

He stated that the Indonesian Embassy, in partnership with the National Institute of Folk and Traditional Heritage (Lok Virsa), would host a cultural exhibition titled "A Night at Museum" to showcase the confluence of civilisation between Indonesia and Pakistan. He declared that every effort would be made to assist the business community in fostering closer trade and economic ties.

In his remarks, LCCI President Mian Nauman Kabir urged the two Islamic nations to further develop their trade and commercial ties, particularly in the fields of pharmaceutical products and surgical equipment.

He stressed the need for cooperative ventures between Pakistan and Indonesia to develop bilateral trade.

Kabir suggested that Pakistan-Indonesia trade and economic relations could be further strengthened through the exchange of business delegations, organising joint trade exhibitions and taking equal benefit of each other's experiences.

Source: tribune.com.pk- Jul 09, 2022

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NATIONAL NEWS

No indication about Johnson resignation's impact on India-UK FTA talks

There are no immediate indications about the impact of the recent political developments in Britain on the advanced India-UK negotiations for a free trade agreement (FTA) which aims at further strengthening economic ties between the countries, an official said.

On July 7, British Prime Minister Boris Johnson announced his resignation as Conservative Party leader following an unprecedented mutiny from within his Cabinet and after being abandoned by his close allies in the wake of a series of scandals that rocked his government, triggering a leadership election for a new Tory leader who will go on to become his successor.

In January, both countries formally launched talks for a free trade agreement, which aims to boost bilateral trade and investments. In such pacts, two countries either eliminate or significantly reduce customs duties on the maximum number of goods traded between them, besides easing norms for promoting investments and services trade.

The development in the UK has happened very recently We have not received any indications about having any effect of resignation on the ongoing FTA talks. Since the Conservative Party is still going to be in the government, we do not see any immediate problem and we have not heard of any reason which may affect the strong bilateral partnership between India and the UK, the official said.

The official added that the talks are at an advanced stage and both sides have agreed on many chapters of the proposed pact. Getting a good, fair and equitable trade deal that would boost exports and create numerous jobs across India is the priority, the official said.

When asked about meeting the deadline of concluding talks, the official said: FTA negotiations are very complex area and they involve a lot of careful assessment of different elements of FTAs and we continue to do that in right earnest both sides and we will put in our best effort to meet these very challenging deadlines.

In April, Prime Minister Narendra Modi and his UK counterpart, Boris Johnson, had set the deadline for Diwali for the negotiating teams to conclude the FTA talks. Diwali falls on October 24 this year.

The UK is also a key investor in India. New Delhi has attracted foreign direct investment of USD 1.64 billion in 2021-22. The figure was about USD 32 billion between April 2000 and March 2022.

India's main exports to the UK include ready-made garments and textiles, gems and jewellery, engineering goods, petroleum and petrochemical products, transport equipment and parts, spices, metal products, machinery and instruments, pharma and marine items.

Major imports include precious and semi-precious stones, ores and metal scraps, engineering goods, professional instruments, non-ferrous metals, chemicals and machinery.

In the services sector, the UK is one of the largest markets in Europe for Indian IT services.

Source: business-standard.com- Jul 10, 2022

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PM addresses Natural Farming Conclave

The Prime Minister, Shri Narendra Modi addressed a Natural Farming Conclave today via video conferencing. The conclave, organised in Surat, Gujarat, is witnessing participation of thousands of farmers and all other stakeholders who have made adoption of Natural farming in Surat a success story. The conclave was also attended by the Governor and Chief Minister Gujarat.

Speaking on the occasion, the Prime Minister said that today's programme is an indication of how Gujarat is leading the country's resolution of achieving the goals of the Amrit Kaal. "Success of Surat in connecting 75 farmers in every panchayat with natural farming is going to become an example for the entire country", the Prime Minister said. He highlighted the role of Sarpanches and congratulated the farmers for moving ahead in the direction of a natural way of farming.

The Prime Minister said "In connection with 75 years of independence, the country has started working on many goals which will become the basis for major changes in the times to come. The basis of progress and speed of the country is the spirit of 'Sabka Prayas', which is leading this development journey of ours." That is why, he said that Gram Panchayats have been given a key role in the welfare projects for the poor and the deprived.

He said that local bodies played a concerted role in selecting 75 farmers from every panchayat and hand-holded them with training and other resources. This has led to a situation where more than 40 thousand farmers in 550 panchayats have become involved in natural farming. This is a great beginning and is very encouraging. The Surat Model of natural farming can become a model for the entire country, he said.

The Prime Minister remarked that when big projects are undertaken with the power of people's participation then their success is ensured by the people of the country themselves. Shri Modi gave the example of the Jal Jeevan Mission where people were given a key role in the project.

Similarly "The extraordinary success of the Digital India Mission is also the country's answer to those who used to say that bringing change in the village is not easy. Our villages have shown that villages can not only bring change but can also lead the change." The Prime Minister expressed confidence that Jan Andolan (People's movement) regarding natural farming will also be a huge success in the coming days. Farmers who will get involved early with this movement will reap great benefit, he said.

The Prime MInister emphasized "at the basis of our life, our health, our society is our agriculture system. India has been an agriculture based country by nature and culture. Therefore, as our farmer progresses, as our agriculture progresses and prospers, so will our country progress." He reminded the farmers that natural farming is a means of prosperity as well as respecting and serving our mother earth. "When you do natural farming, you serve Mother Earth, protect the quality of the soil, its productivity. When you do natural farming you are serving nature and the environment. When you join natural farming, you also get the privilege of serving Gaumata", he added.

The Prime Minister pointed out that the entire world is talking about a sustainable lifestyle. "This is one area where India has led the world for centuries, therefore, now is the time when we move forward on the path of natural farming and take full advantage of the global opportunities that are emerging", he said.

Shri Modi also talked about the measures taken by the government for promoting natural farming in the form of schemes like 'Paramparagat Krishi Vikas Scheme' that are providing resources and training for traditional farming. 30 thousand clusters have been created all over the country under the scheme for the benefit of the lakhs of farmers.

10 lakh hectares will be covered under the 'Paramparagat Krishi Vikas Scheme'. Natural farming, the Prime MInister said, has been linked with the Namami Gange project as a separate campaign has been undertaken to create a natural farming corridor along the Ganga river.

The Prime Minister also informed about the quality assurance system for certification of produce of natural farming. He also said that certified products are fetching good prices when farmers export them.

Recalling the natural farming knowledge hidden in the scriptures and popular culture of India, the Prime Minister requested the institutions, NGOs and experts to do research on the ancient knowledge and how that can be communicated to farmers as per the demands of the modern times. He also expressed confidence that the beginning of 75 farmers taking up natural farming in every panchayat will soon increase manifold as demand for this chemical-free natural product is bound to increase. .

As part of Azadi ka Amrit Mahotsav, Prime Minister in his address at Gujarat Panchayat Mahasammelan in March, 2022 had exhorted at least 75 farmers in each village to adopt the Natural way of farming.

Guided by this vision of Prime Minister, Surat District undertook a concerted and coordinated effort to sensitise and motivate different stakeholders and institutions like farmer groups, elected representatives, talathis, Agriculture Produce Marketing Committees (APMCs), Cooperatives, Banks etc, in the district to help farmers in adoption of Natural Farming. Consequently, at least 75 farmers were identified in each Gram Panchayat and were motivated and trained to undertake Natural Farming. The farmers were trained in 90 different clusters resulting in the training of more than 41,000 farmers across the district.

Source: pib.gov.in– Jul 10, 2022

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Diwali target for India-UK FTA possible but not definite, say experts after PM Johnson's exit

It is always good to have a deadline to work towards while negotiating a free trade agreement (FTA) but the Diwali target set for the India-UK FTA by the outgoing British Prime Minister Boris Johnson does not have to be set in stone, according to strategic and industry experts here.

At the end of a week of monumental political turmoil which ended with Johnson announcing his resignation to make way for a new Prime Minister in a few months' time, the inevitable focus has been on what this means for India-UK bilateral ties generally and the historic FTA now in its fourth phase of negotiations more specifically.

While there is general consensus that there is unlikely to be any significant shift in foreign policy stance under a new Conservative Party incumbent at 10 Downing Street, a delay of a few months to the October deadline for the conclusion of a draft FTA may well be on the cards.

"India did some very quick deals with the UAE and Australia, in less than 90 days, but those are much lighter in content and comprehensiveness than what we are planning with the UK-India FTA," said Confederation of British Industry (CBI) President Lord Karan Bilimoria, who heads up the UK-India Industry Taskforce as a joint commission to enhance cross-industry collaboration on the ongoing trade negotiations.

"I would much rather have a more comprehensive deal that takes slightly longer to complete. It's good to have a deadline, good to have that target to try and finish by Diwali. But it may not be the end of October but the end of December; my target is the end of this year," said the Indian-origin businessman.

Diwali falls on October 24 this year.

He warned of inevitable last-minute issues but remained "very optimistic" about completing a comprehensive pact within this year because of the reports of "good progress" in completing the estimated 26 chapters.

In New Delhi, an official said there are no immediate indications about the impact of the recent political developments in Britain on the advanced India-UK negotiations for a free trade agreement (FTA) which aims at further strengthening bilateral economic ties. Getting a good, fair and equitable trade deal that would boost exports and create numerous jobs across India is the priority, the official said.

When asked about meeting the deadline of concluding talks, the official said: “FTA negotiations are very complex area and they involve a lot of careful assessment of different elements of FTAs and we continue to do that in right earnest both sides and we will put in our best effort to meet these very challenging deadlines”.

According to the latest UK Department for International Relations (DIT) statistics, India-UK total trade in goods and services stands at GBP 24.3 billion – with UK exports to India amounting to GBP 8.4 billion and UK imports from India at GBP 15.9 billion. The target set under the Johnson-Modi Roadmap is to at least double those figures by 2030, with experts of the view that an FTA could take those trade figures even higher.

“Boris Johnson’s prime ministership saw an unprecedented political commitment towards boosting ties with India, reciprocated by Prime Minister Narendra Modi,” said Rahul Roy-Chaudhury, Senior Fellow for South Asia at the London-based International Institute for Strategic Studies (IISS) think tank.

“While Johnson firmly laid the direction of travel with India, he leaves before the pace of travel has been determined... [and] with Johnson as a caretaker Prime Minister, it remains to be seen how effectively he can conclude a landmark bilateral FTA by October, to be signed by his successor, and whether a much-needed legacy defence technology cooperation can be achieved,” he said.

Gareth Price, Senior Research Fellow, Asia-Pacific Programme, at the UK-based international affairs think tank Chatham House, said that FTAs by their very nature take a lot of time to negotiate and an obsession with the deadline should not result in a diluted enhanced trade partnership. “It’s just a sort of gut reaction that it’s good to have a deadline but I wouldn’t bet a lot of money that it would definitely be met. With the upheaval in the UK, if there are concessions to be made it would be interesting to see whether they can be agreed in that timeframe,” said Price.

On the legacy of Boris Johnson's nearly three-year term in office, the overwhelming view is that he would leave behind a very strong India-friendly foreign policy focus and little would change in terms of the focus on strengthening relations with India and the wider Indo-Pacific region. "There's no question about his love for India. India has been a priority country to him, demonstrated by the launch of the FTA talks… This is such a special centuries-old relationship, which will only strengthen further," said Bilimoria.

"The focus on India was in part a function of Boris Johnson-led government moving away from Europe and so probably whoever succeeds him is going to have similar views. But if it's someone more focused on rebuilding the relationship with Europe, then by default there will be less bandwidth for a focus on India and other countries," reflected Gareth Price. Anand Menon, professor of European Politics and Foreign Affairs at King's College London and director of the think tank UK in a Changing Europe, does not foresee any significant shift in the UK's Europe stance that could impact its Indo-Pacific focus.

"I don't see much change in foreign policy post-Johnson. I think the biggest legacy that Boris Johnson has on British politics in general is Brexit, which has forced the UK to be more active in foreign policy," said Menon.

"We had Brexit so therefore we had Global Britain and a far more activist British diplomacy than we have had for a long time. That message won't change at all… In a way because foreign policy is such a low priority that no successor is going to spend political energy re-doing it," he said.

From an economic perspective as well, City of London Policy Chair Chris Hayward believes there will be a consistent focus on an enhanced India-UK partnership. "The next Conservative Prime Minister will build upon that work and continue to strengthen our ties with India.

It is an incredibly important market to the UK, we would urge that we continue to build on the legacy," said Hayward, who is planning a visit to Mumbai for high-level talks next week.

Source: financialexpress.com– Jul 10, 2022

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India can reach 8% sustained growth: Ex-NITI Aayog vice-chairman Panagariya

Apart from pressures on the current account and inflation, India is in a strong position and there are enough causes for optimism, **Arvind Panagariya**, former vice-chairman of NITI Aayog, told ***Arup Roychoudhury*** on the sidelines of the Kautilya Economic Conclave. Panagariya said the problem facing the economy was not unemployment but under-employment. Edited excerpts:

India has come out of two years of Covid-19 pandemic. Now we are in a situation where the war in Europe has caused a spike in the global commodity prices and disruption of global supply chains. How do you view the immediate future and what are the headwinds?

So the main headwinds right now are coming from energy prices, which are leading to the import bill rising faster than exports. Then there are the capital outflows. There is this pressure on the rupee. Both factors are pushing it downward.

So there's also pressure on the current account. The other issue is inflation. Both of these are primarily the domain of the Reserve Bank of India (RBI). Current account is where they really need to take a hard look, because a very large volume of reserves has already been used.

But the RBI said it doesn't have any level for the rupee.

It's appropriate for the RBI to say that they have no level in mind. But ultimately, a choice has to be made. Because the choice is between running down the reserves, or letting the rupee go down further. It's an important choice, not just because of the reserves, but for the countries with which we have to compete in the global marketplace.

If their currencies are depreciating, and the rupee is holding on because the central bank is using its reserves to keep the exchange rate at a level, it ultimately means that our currency appreciates relative to the competitors' currencies.

So what are the opportunities? These were the headwinds you spoke of.

I think we are in a very good spot because we have done several of these reforms. There is a plan to do more. We are moving ahead on privatisation. As we came into the pandemic, the balance sheets of both the banks and the corporations have been more or less restored. We still need to notify the labour laws. I think that is very critical. Of course, the reforms will continue. So, all those things to me add to be easily 7 per cent-plus growth rate. I remain optimistic.

The RBI is now saying inflation has peaked. Do you agree?

It's certainly near the peak. Inflation came down in May because of the base effect. With that being the case, we still need to see more evidence in the next month or two. During the season, as these vegetable crops begin to come in larger supply, that should certainly help. Now, is oil going to hold? I do not know. But it is at a very high level right now. To me, it looks like either it has peaked or it's very near the peak. The current one is the base that we are going to be working on in the coming months. But inflationary pressures are not going to last much longer than six months so.

6-7 per cent average growth over the coming years is what most economists, including yourself, are realistically expecting. But what Singapore Senior Minister Tharman Shanmugaratnam said at the lecture is that if India needs to both create jobs and raise its per capita income, it needs to grow at 8-10 per cent minimum. Do you think that is possible?

It can be done because tons of reforms have happened. I personally think if we roll back our tariff increases, we can get there.

Jobless growth has been a charge thrown at many governments, including this one. How bad do you think the job situation really is in India now? Can the government be seen as a job provider or rather as an enabler?

First of all, all of you in the media, whenever the periodic labour force survey shows higher unemployment, it is a headline everywhere. But now that unemployment is down to 4.2 per cent, no one bothers to report.

I would say the problem is really not unemployment. Because income levels are low, people have to make their ends meet, they have to do something. So everybody is doing something more or less, whether in the formal or informal. The issue is one of underemployment or low productivity employment, that is the critical problem. Take agriculture, where now, after the pandemic, the labour force share or workforce share in agriculture has gone up from something like 42.5 per cent to 46 per cent. That is not surprising, but it is a concern that after 75 years of development effort, 46 per cent of the workforce still engages in agriculture.

The government's stance has been that capex spending is the best way to revive the economy and demand. Do you agree? Or are sector-specific measures still needed?

I fully support the capex push. I do not believe in sector specific interventions. I think you should let the field be leveled and efficient sectors should grow and inefficient ones must shrink. There is no reason for the taxpayer money to be used to support declining sectors. I mean the social safety nets, the welfare and subsidy schemes are important, and if we had the political room, many of them could be reconfigured. But capex is the way to go. The government is doing the right thing. It is building the country's infrastructure, and delivering it very efficiently.

Source: business-standard.com– Jul 11, 2022

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GST aid to states may remain for two more years

The Centre is weighing a few options to give some revenue relief to state governments hit by the termination of the Goods and Services Tax (GST) compensation effective June 30, 2022. Under the new mechanism being worked out, states will get revenue protection much lower than a 14% annual growth enjoyed by them in the five years through June 30, and for a shorter period, say, two years.

The idea is to enable them to walk through the period of lower revenue growth till the GST itself produces the revenue buoyancy to address the states' revenue concerns in the next three years, according to an official source.

Under one of the options, the Rs 2.7 trillion back-to-back loans taken by the Centre in the last two financial years, to address the shortfall in the GST compensation cess fund, will be restructured. This would mean that the repayment of these loans, arranged under a special RBI window at low costs, will be extended by a year or two from March, 2026. This would give the Centre additional liquidity to provide revenue protection to states for two more years, for revenue growth of 10-11%, the source said.

A second option is to raise fresh loans.

Of course, both the options would require further extension of the cesses on "luxury and demerit goods", beyond FY26-end. These levies have already been extended till March 31, 2026, as means to finance the special loans.

"There has been no formal discussion yet on extending the compensation to states. But, if the Centre has to agree to compensate the states for a further period, it will definitely renegotiate the 14% (protected revenue growth), which has no basis," an official said.

According to analysts, the additional tax levied on 37-odd items in the highest 28% slab will likely continue, except perhaps on high-end automobiles, beyond FY26. The levy could, however, may not be in the form of cess but as an additional GST levy. As the merged tax rate in such case will exceed 40%, the GST Act would need to be amended as the current provisions limit maximum GST rate at 40% (CGST and SGST at 20% each).

About 71% of the additional GST revenue from these demerit goods will go to states (50% direct share and 21% as devolution share), aiding their revenues. Currently, assorted tobacco items, pan masala and aerated water are among the products that attract the highest GST rate of 28% and also ‘compensation cess’. The rate of cess on tobacco products is `4,170 per 1,000 sticks or 290% ad valorem, while that on pan masala is 135% ad valorem.

As things stand today, cess collections from July 2022 till March 2026, will likely be in excess of the requirement to repay loans of Rs 2.7 trillion and about Rs 60,000 crore advance provided by the Centre to clear the GST compensation arrears in May. The cess collections are estimated to be Rs 1.2 trillion in FY23.

If it is taken as a benchmark, then the excess collections in four years up to FY26 will be Rs 4.5 trillion (after adjusting for compensation dues for Q1FY23). Given that the loans were taken at below 6% interest rate, the total interest cost would be around Rs 40,000 crore. So, after the loan repayments, there would still be a surplus of about Rs 80,000 crore.

To be sure, after GST was rolled out, states’ GST revenues have achieved an average CAGR of 10-11% till FY22.

The average shortfall (the gap between the protected revenue and post the settlement of gross SGST revenue) declined to 27% in FY22 from 38% in FY21. Given the buoyancy in GST collections, the shortfall is seen to reduce further to 15% in FY23.

Removal of large number of exemptions, correction of inverted duty structures and system improvement to plug leakages, along with slab recast with an intention to lift the weighted average GST rate from about 11.6% now to the revenue neutral rate of 15.5%, are expected to boost the GST revenues.

Source: financialexpress.com– Jul 11, 2022

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Over 72,000 start-ups created 7.5 lakh jobs: DPIIT

Over 72,000 start-ups have generated about 7.5 lakh jobs , according to numbers shared by the Department for Promotion of Industry and Internal Trade on Friday.

There are start-ups in every State and Union Territory, across over 645 districts, with nearly half of them based out of tier 2 and 3 cities.

Highlighting the important role played by women in the start-ups, the numbers show that over 45 per cent have at least one-woman director.

Under the Fund of Funds for Startups, over ₹7,300 crore have been committed to 86 Alternative Investment Funds and over ₹9,500 crore have been invested in more than 600 start-ups, the Department said.

The Startup India Seed Fund, another prominent scheme, has provided ₹365.75 crore to 99 incubators with ₹76 crore approved for 436 start-ups.

The Startup India initiative was launched by Prime Minister Narendra Modi in January 2016. As many as 30 Indian States and UTs have a dedicated start-up policy with over 50 regulatory reforms carried out by the Centre and over 610 by States and UTs, the DPIIT noted. India now has over 100 unicorns.

Source: thehindubusinessline.com– Jul 08, 2022

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GST: Mandatory e-invoicing for companies with Rs 5-crore sales from January

The GST e-invoicing will likely be mandatory for firms with a turnover of over Rs 5 crore from January 1, 2023, down from the current threshold of Rs 20 crore to further plug leakages, ensure better compliance and policy formulation, Central Board of Indirect Taxes chairman Vivek Johri told FE.

"I think expanding the coverage to over Rs 5 crore will give us very good data for policy making. We can analyse the data at the level of four-digit HS (Harmonised System) and get some sense of which are the sectors which are contributing more to the GST, which have higher potential but are not contributing enough," Johri told FE. The tax authorities will also be able to better analyse the trends and availment of input tax credit across sectors and weed out fake ITC claims, which had emerged as a major issue for the government. Fake ITC worth over Rs 50,000 crore was detected in the past one-and-half years alone.

E-invoicing for business-to-business (B2B) transactions started with a very high threshold from October 1, 2020, when firms with a turnover of over Rs 500 crore came under its ambit. In the second phase, businesses with a turnover exceeding Rs 100 crore were mandated to issue e-invoices from January 1, 2021.

In the third phase, firms with a turnover of over Rs 50 crore had to generate e-invoices from April 1, 2021. It has been extended to firms with a turnover between Rs 20 crore to Rs 50 crore from April 1, 2022. The e-invoice has resulted in bringing in more taxpayers into the net which rose from about 1.25 crore in October 2020 to about 1.38 crore at present.

"Once one can construct all the returns based on e-invoices, the need for invoice matching itself goes away and yet have a foolproof system of return filing. So, that is a very big advantage. E-invoice will (eventually) become universal," Johri said.

These system reforms have played a big role in the recent surge in GST collections from an average of Rs 0.9 trillion in FY18 to Rs 1.23 trillion in FY22 and it may average Rs 1.4-1.5 trillion in FY23, giving some relief to states as a five-year guaranteed GST compensation for shortfall has ended on June 30.

One of the criticisms of GST after it was rolled out on July 1, 2017 was that the tax authorities have not been able to streamline the return filing process and were not able to do invoice matching between the buyer and supplier because of which there was a fear that there may be revenue leakages and non- compliance was going undetected.

"With an intent to widen the scope of e-invoicing and promote automation of GST returns, the government is planning to reduce the threshold of raising e-invoices from 20 crore 5 crore. This phased move may burden small enterprises, however, it would deter the generation of fake invoices, thereby leading to better tax compliance and collections," said Tanushree Roy, Director-Indirect Taxation, Nangia Andersen LLP.

The lowering of the threshold for e-invoicing would also significantly expand the number of GST registrants as the number of entities in the bracket of Rs 5 crore to Rs 20 crore would be very high, said MS Mani, Partner, Deloitte India. "This would help in expanding the base of taxpayers, which is one of the stated objectives of GST," Mani added.

Source: financialexpress.com– Jul 09, 2022

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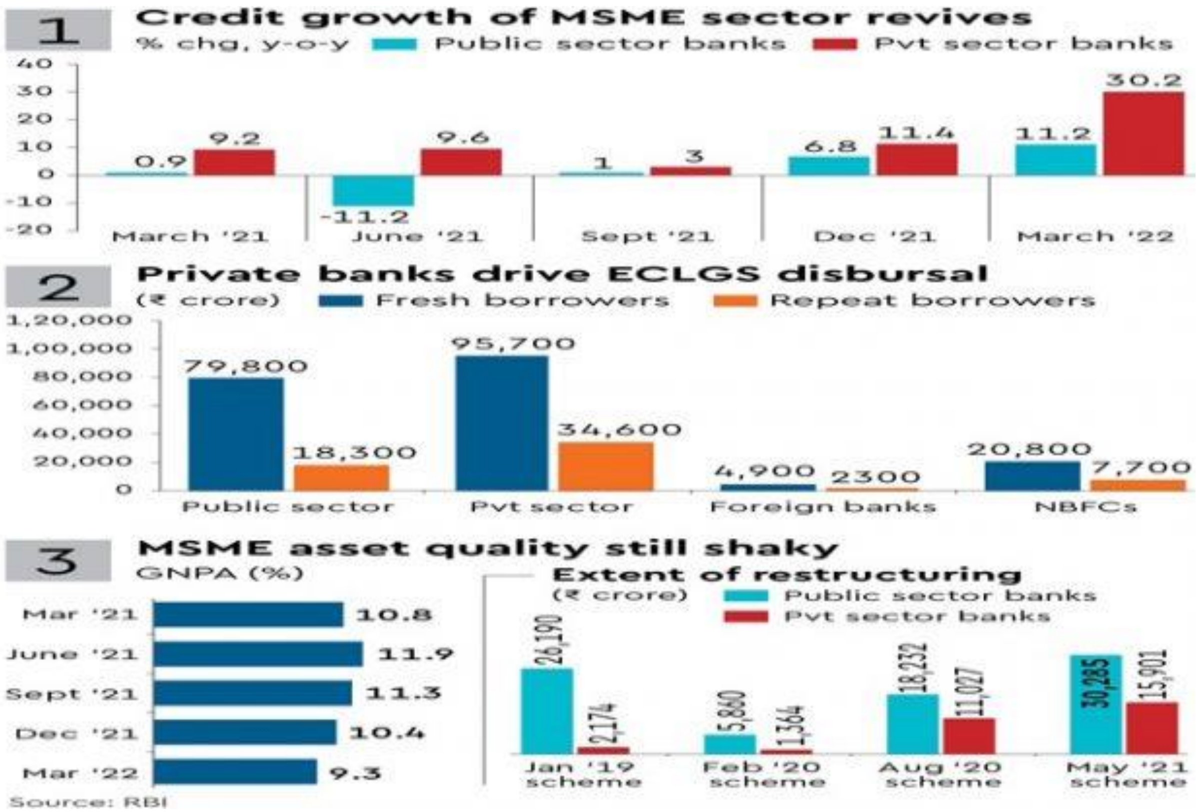
Data Drive: Credit support to MSMEs

The Emergency Credit Line Guarantee Scheme (ECLGS) has helped revive credit growth to the MSME sector that was hit hard due to the pandemic.

Loans amounting to Rs 3.32 trillion were sanctioned under the scheme, and till April 30, 2022, Rs 2.54 trillion had been disbursed.



Private sector banks took the lead in disbursal.

While the gross non-performing assets ratio in the MSME sector has moderated to 9.3% in March 2022 from 11.9% in June 2021, stress in the sector remains.

Source: financialexpress.com– Jul 11, 2022

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Over 14 ministries to run national plan for 'child labour-free India'

Over 14 union ministries have joined hands to abolish child labour across sectors.

This comes after a parliamentary panel recently questioned the government over a lack of adequate effort in eliminating child labour.

The ministries will also work in 'mission mode' to rescue, rehabilitate and support such children and their families through an all-round governmental outreach.

ET has gathered that a nudge to industry to work towards 'child labour free' branding and 'no child labour' certification is also being suggested as part of a national plan.

In a June 29 meeting, the Parliamentary panel on labour, skills and textiles - chaired by Biju Janata Dal's Bhartuhari Mahtab - had instructed that a draft 'National programme for child labour free India' be drawn up.

The draft - now under circulation to over 14 ministries - calls for proactive action on the 'multi-dimensional' problem. The first priority that has been identified is reaching the child.

While the labour ministry will engage with employers and enterprises on the issue and monitor enforcement, the education ministry is being asked to ensure enrolment of all "out of school" children, including child labour under the Samagra Shiksha Abhiyan (SSA), besides identification of children missing school.

Special attention is sought towards girl children, the migrant population and SC/ST children as the drop-out rates and the incidence of child labour is higher among these segments. The ministry has also been asked to work out scholarships, special assistance and mentoring for all such segments.

The skill development ministry will give skills training to adolescents rescued from hazardous occupations and vocational training to the students of Classes 9 to 12 that are vulnerable to child labour.

The Ministry of Social Justice and Empowerment and Tribal Affairs will help prepare livelihood plans/projects for the households where incidence of child labour has been noticed to ensure sustainable income for these households.

The ministries of woman and child development and panchayati raj have been advised strengthen mechanisms at the state/district level for enforcement, besides generating awareness among elected representatives against child labour.

The second part is enforcement of laws to check child labour and to push for 'child labour free' business.

On the former, the home ministry has been asked to speed up fund release to the states/UTs for setting up anti-human trafficking units and ensure proper enforcement of the Child Labour and Adolescent (Prohibition and Regulation Act, 1986).

On the latter, several ministries are involved.

The Ministry of Housing and Urban Affairs has been asked to consider issuing instructions saying that no bricks or building materials be sourced from those units where child labour is employed.

A similar instruction is sought to be issued by the Ministry of Mines as well as Ministry of Micro, Small and Medium Enterprises for respective units at the time of registration itself.

Similarly, the Ministry of Textiles has been asked to work on elimination of child labour from the supply chain and the commerce ministry to examine the possibility of use of "Child Labour Free" branding.

The tourism ministry must bring in a ‘code of ethics’ for industry and ensure ‘legal backing’ in activities where child labour is prevalent, it has been advised in the draft plan.

For complete coordination, the labour ministry is to set up and steer an inter-ministerial committee on child labour to review and monitor the measures for enforcement, rescue and rehabilitation of children.

This committee is proposed to have on board secretaries of all the departments concerned, such as education, social welfare and justice, women and child development, health, revenue, home and civil supplies and the National Commission for Protection of Child Rights.

It is suggested that each ministry develop a strategy for the 'total abolition of child labour' taking into consideration local specificities and institutional strengths with 'clear timelines' and support from the state governments/UTs.

For state level implementation, the draft plan suggests that a state monitoring committee be set up under the chief secretary and district-wise action plans on checking child labour be planned.

To kickstart, the plan suggests that the district magistrates along with the school education department organize a one-month drive in every district to identify children who are not attending schools, examine the causes and work on them immediately.

Source: economictimes.com– Jul 09, 2022

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Unease over Ease of Doing Business: Countries can build their own matrices for reform and their impact assessment

"Magic mirror on the wall, who is the fairest one of all?"— a line from Snow White typifies the countries' reactions each time the World Bank (the Bank) released its Ease of Doing Business (EODB) report. The authors have earlier written that the methodology of the EODB report lay more in the de jure than in the de facto zone (bit.ly/36V7HEg). Indisputably though, the EODB report had a global knock-on effect.

Governments or their oppositions capitalised on a favorable or unfavorable rank. The focus of policymakers was to design policies that would improve their rankings.

The EODB rankings determined aid and investment inflows in countries. This stimulated, in the words of Høyland et al, a 'rank- seeking behavior'. It was exactly this behavior that caused the data irregularities in both EODB 2018 and EODB 2020.

An independent law firm investigated the circumstances and motivations that led to the data irregularities in EODB 2018 and EODB 2020. The preliminary findings of the EODB 2018 had revealed that China had dropped seven places from the prior year's report to the rank of 85.

Various methodologies to boost China's ranking were discussed. One method discussed was to include data from Taiwan, China and Hong Kong SAR, China into China's data. By incorporating Hong Kong SAR, China's ranking in EODB 2018 would rise to 70, eight spots higher than the previous year. However, this idea was shot down for "political reasons".

Another method discussed was to use the higher scoring of the two cities included in China's data (Beijing and Shanghai) rather than a weighted average as was typically used for countries with data collected from two cities. However, this would increase the ranking for China, and other peer countries.

It was finally decided to unlock the report's underlying data tables and give higher scores to China for the three indicators of starting a business, legal rights—getting credit, and paying taxes. These changes boosted China's scores and ranking by seven places to 78, the same ranking that the country had in EODB 2017. The pressure from China worked because at this time the Bank was consumed with a capital increase campaign. The Bank would be in “very deep trouble” if the campaign had missed its goals. Reimbursable Advisory Services (RAS) contracts played the focal role in the irregularities of the EODB 2020.

The RAS projects are paid advisory and analytic services provided by the Bank to middle- and high-income countries upon request from the member countries. RAS projects focus on a wide variety of subjects related to economic development. Some RAS projects focus on improving economic conditions underlying the indicators that comprise the EODB report. This was a clear conflict of interest situation. Saudi Arabia had executed a series of significant RAS contracts with the Bank, some of which were focused on issues germane to the EODB report.

By elevating Saudi Arabia to first place in the Top Improvers list, the Bank would demonstrate the effectiveness of its efforts and validate the amount of money that Saudi Arabia had spent on RAS projects. In August 2019, the Doing Business team generated a draft of its Top Improvers list for EODB 2020 that had Jordan as the top reformer with Saudi Arabia placed second. On September 30, the Doing Business team altered Saudi Arabia’s data to boost the country’s ranking past Jordan. The score of Legal Rights index was increased to 4 from 3, by adding a point regarding the treatment of debts. The team also reduced the compliance time for the newly enacted Value Added Tax.

The Bank’s action, which catalysed the independent probe of the data irregularities by an outside law firm, is undoubtedly commendable and assuring. However, the irregularities and ethical issues thrown up by the investigation had damaged the legitimacy of the EODB report.

In September 2021, the Bank announced its decision to discontinue the EODB report. Houndmouth’s lyrics summarise the situation, “you’re gone but you’re not forgot, … you flipped the script, and you shot the plot…I remember when your neon used to burn so bright and pink”. The Bank is now working on a compendium of indicators to assess the business and investment climates of economies worldwide until the launch of the new Business Enabling Environment project.

The interim period should not cause a torschlusspanik (fear) of a door closing in countries that are keen to invite FDI and ODA. Countries can build their own matrices for reform and their impact assessment. India's Department of Industrial Policy and Promotion already undertakes such an exercise for the states and the UTs.

This can be scaled up to include central government reform schemes. Trade units of Indian missions abroad, manned by business/academic experts, can use these matrices to market India to foreign businesses. The authors are confident that with their own benchmarks and without the 'tyranny' of international ranking systems, India may come across as a more attractive destination for foreign businesses.

Source: financialexpress.com– Jul 09, 2022

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Retail, e-com growth to fuel India's logistics sector: Report

The market size of retail in India is estimated to grow to more than $1.8 trillion by 2030 from $705 billion in 2020. On the other hand, the e-commerce market in India is likely to reach $120 billion by 2026 from $38 billion in 2021, as per a FICCI-Anarock report. This exponential rise in retail and e-commerce businesses is also likely to fuel the growth of the warehousing and logistics sector in the country.

Additionally, COVID-19 has accelerated the growth of e-commerce across India. Online shopping has increased significantly in tier-II and tier-III cities as well due to the easy availability of the internet on cheaper tariffs and restrictions on physical movement during the time of the pandemic. This trend has provided an impetus to the warehousing and logistics sector beyond tier-I cities, as per the FICCI-Anarock report titled 'Industrial & Logistics - Rapidly Gaining Momentum, Providing Enormous Opportunities'.

The warehousing and logistics sector is an essential part of e-commerce and retail businesses across India.

The constant push and ambitions for infrastructure development and policy support provided by the government may ride the next wave of growth for the industrial, warehousing, and logistics sectors in India. The government has introduced a slew of measures such as the Gati Shakti programme, GST, National Manufacturing Policy, Self-Reliant Campaign, Land Reforms, and Tax Reforms to provide necessary infrastructure and policy support to boost the manufacturing sector across the country.

Additionally, COVID-19- led lockdowns across the globe highlighted the need for China plus one strategy for manufacturing as the supply chain for various companies was disrupted at the time of forced lockdowns in China. These companies are now looking to shift their base from China or are keen to open a new manufacturing facility in other countries and India is a top contender, the report added.

“Robust infrastructure and a liberal policy environment may entice these companies to set up their bases in India which may drive the next wave of industrialisation in India. The warehousing and logistics sector is as important as manufacturing.

Reasonably priced storage and transportation is the success mantra for many businesses. Considering the sector's importance, the government has timely introduced various reforms such as GST, warehousing policy, and infrastructure status to the logistics sector to provide impetus to the sector. National Logistics Policy is in the draft stage and expected to change the face of the logistics sector in India," the FICCI-Anarock report further said.

Source: fibre2fashion.com– Jul 08, 2022

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India's road logistics sector to witness 7-9% YoY growth in FY23: ICRA

Accelerated pace of business activities and lower lockdown-linked restrictions from second half (H2) of fiscal 2022 (FY22) aided faster recovery in revenues for the road logistics sector of India in FY22. The growth momentum is likely to continue with an estimated growth of 7-9 per cent in fiscal 2023 (FY23) over FY22, as per rating agency ICRA, which has maintained a stable outlook for the sector.

Demand is likely to remain sensitive to any further waves or new virus variants, given the sector's significant linkage to economic activity on an aggregate basis. The ability of the organised players to command pricing premiums on account of the rise in fuel prices, driven by the fallout of the Russia-Ukraine conflict, while maintaining the cost rationalisation measures shall support the industry operating profitability in FY23.

The margin movement shall, however, continue to depend on consumer demand sentiments, trend in diesel prices and the competitive intensity within the industry.

Debt coverage metrics are expected to marginally weaken in FY23 compared to FY22 levels owing to the expected debt-funded capital expenditure for vehicle replacement required prior to introduction of the scrappage policy along with the rising interest rate regime, ICRA said in a media release.

Suprio Banerjee, vice president & sector-head, ICRA Ratings, said: "Quarterly revenues for the logistics sector reported a moderation of 2 per cent in Q4 FY22 compared to Q3 FY22, owing to the third wave of COVID. However, it still remains close to multi-year high quarterly revenues, supported by sustained recovery in industrial activities.

While there were regional restrictions for a brief period, manufacturing, construction activities and movement of goods were permitted due to which the impact on commercial traffic was limited. This is also reflected by the stability in monthly e-way bill volumes as well as FASTag volumes during Q4 FY22, which also continues in the current quarter for Apr-May 2022.

"Following a 16.5 per cent growth in FY22 (over pre-COVID levels) on the back of revival in economic activities, firm freight rates and low-base, ICRA expects the logistics sector to grow by 7-9 per cent YoY in FY23. However, the overhang of any further COVID waves looms on the sector in case the recent rise in COVID infections in certain pockets of the country spreads nationwide. Margins shall also remain sensitive to risks stemming from a continued rise in commodity and fuel prices owing to the fallout of the Russia-Ukraine conflict."

Demand from varied segments like e-commerce, FMCG, retail, chemicals, pharmaceuticals and industrial goods coupled with the industry's paradigm shift towards organised logistics players, post GST and e-way bill implementation would continue to drive revenue growth in the medium-term.

Furthermore, multimodal offerings are likely to gain increased acceptance and traction going forward, given that players offering multimodal services had more flexibility. Given these factors, and the relatively higher financial flexibility available to large, organised players vis-à-vis their smaller counterparts, there is potential for increased formalisation in the sector going forward, the release added.

Source: fibre2fashion.com– Jul 08, 2022

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TS team cotton farming in US

As part of the tour to study the modern practices in cotton farming including high-density cultivation, a team of elected representatives and officials led by Telangana Minister for Agriculture S. Niranjan Reddy visited a cotton research centre in Texas in the US on Thursday. After going round the research centre and interacting with officials there, the Minister said high-density cotton farming was carried out with several benefits such as higher production and less inter-cultivation costs.

After examining the farms there along with legislators R. Ravindra Naik, M. Anand and P. Sudershan Reddy, Managing Director of State Seed Development Corporation K. Keshavulu and others, the Minister said high-density cotton cultivation would have 60,000 to 75,000 plants per hectare in case of rain-fed farming and 1.1 lakh plants in case of irrigated farming. The researchers at the visiting centre told them that they were planning to have 1.4 lakh plants per hectare. He stated that as part of crop diversification the farmers there were cultivating maize after cotton in a year and getting good yield. He observed that large-scale mechanisation of farming, high-yielding varieties and very large landholdings were key behind the success of farming in the US.

However, in India the farming sector that provides maximum employment in the country was mired in all sorts of problems due to lack of vision among the rulers for long. In Telangana, confidence among the farming community was boosted in recent years with provision of investment support at the rate of ₹5,000 per acre for two seasons a year, ₹5 lakh life insurance cover to all farmers below 60 years, 24×7 free power supply to agriculture pump-sets and improved irrigation facilities.

The Minister said the State Government had been working for encouraging farmers towards crop diversification, farm mechanisation and cultivation of crops having demand in the market not only to make farm sector remunerative but also to attract more people towards it. On Wednesday, the delegation led by the Minister visited a 13,000 acre high density single-pick cotton farm of farmers Richard Kelly and Brad Williams in Tennessee and on Tuesday they visited cotton seed and gene research station of Bayer Corporation in St. Luis.

Source: thehindu.com– Jul 08, 2022

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A sneak peek at Personalised Gifts by Boutique Living celebs took home from Pinkvilla Style Icons Awards 2022

Truly a star-studded night, the Pinkvilla Style Icons Awards 2022 certainly made quite a splash. The evening saw the who's who of Bollywood in attendance, including supermodel Milind Soman, Kartik Aryan, veteran actor Anil Kapoor, director Kabir Khan and Ayushmann Khurana. Well, apart from stars from the film industry that included Vaani Kapoor, Parineeti Chopra, Radhika Madan and Nushratt Bharuccha; there was Shikhar Dhawan from the world of cricket, entrepreneur Aman Gupta of Shark Tank fame, designer Masaba Gupta and chef Ranveer Singh Brar from the culinary world who graced the event.

Nevertheless, it was ace Director Karan Johar who bagged the 'Super Stylish Showbiz Icon' award. But the elite guest list of venerated actors, directors and models did walk away from the glitzy evening with more than their awards that night. Indeed, over 40 celebrities were presented with their own, unique personalised dohar sets that were aimed at enhancing their sleep experience.

Discover how the deeply fabulous dohars mirrored each celebrity's interests

Boutique Living, a premium bed linen brand from the house of Indo Count - the largest global home textile manufacturer, customized unique designs with each dohar set. They adorned the finest sateen dohars with prints inspired by each celebrity's unique personal interests. If you're curious about which facet of a celebrity's personality, the luxury dohar sets highlighted, then read on.

- Milind Soman's dohar revealed his love for fitness and exercise, while Anil Kapoor's dohar reflected his Mumbai film roots.
- Up and coming star Kartik Aryan's dohar had prints of him along with his beloved pet and Ayushmann Khurrana's dohar reflected his love for art.
- When it comes to director Kabir Khan, the obvious choice for his dohar was prints of his iconic films.
- On the other hand, actress Parineeti Chopra was gifted a dohar mirroring her love for the sea. The comfort and the softness of their dohars was unparalleled.

These dohar sets make intriguing presents

Designed by Boutique Living that's venerated as a premium bed linen brand from the house of Indo Count; the luxury dohar sets are truly crafted for comfort. The cosy bedding certainly succeeded in imprinting the lives, moments and memories of our most loved Bollywood celebrities. In fact, they have an interesting collection of bed and bath linen that promises you a luxurious slumber. Their superior products let you choose anything from 300TC to 1000TC when it comes to bed sheets in bold designs and solid colors, comforters and draw sheets.

The brand with a heart

Apart from their stellar designs, one of the key reasons to choose Boutique Living, is that they are a socially conscious brand. **In their first phase of CSR activity, they've vowed to take care of the education of 25 children of martyrs as part of its 'Karenge Poore Sapne Adhoore' initative.**

So, the next time you wish to buy some bespoke presents for your loved ones, try sending them premium bed & bath linen from Boutique Living and they shall be thrilled to bits!

Source: pinkvilla.com– Jul 3, 2022

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