TEXPROCIL NEWS CLIPPINGS

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USD	79.63
EUR	80.98
GBP	95.73
JPY	0.59

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INTERNATIONAL NEWS

Euro area international goods trade marks deficit of €24.6 bn

The euro area recorded a €24.6 billion deficit in trade in goods with the rest of the world in June 2022, compared with a surplus of €17.2 billion in June 2021. Imports from the rest of the world stood at €276.8 billion, a rise of 43.5 per cent compared with June 2021 (€192.9 billion).

Intra-euro area trade rose to €236.4 billion in June 2022, up by 24.2 per cent compared with June 2021, according to Eurostat, the statistical office of the European Union.

In January to June 2022, euro area exports of goods to the rest of the world rose to €1,393.1 billion (an increase of 18.7 per cent compared with January-June 2021), and imports rose to €1,533.6 billion (an increase of 43.0 per cent compared with January-June 2021).

As a result, the euro area recorded a deficit of €140.4 billion, compared with a surplus of €100.6 billion in January-June 2021. Intra-euro area trade rose to €1,328.5 billion in January-June 2022, up by 26.3 per cent compared with January-June 2021.

Source: fibre2fashion.com– Aug 18, 2022

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It's Time to Bring Fashion and Textile Production Home to the USA

A recent Bloomberg article, "American Factories Are Making Stuff Again as CEOs Take Production Out of China," observes the trend of bringing major manufacturing operations back to the United States. What was once seen as a stopgap measure to mitigate complications arising from the pandemic economy is now becoming part of a broader strategy for long-term operational viability, resiliency, and value.

Per the article, "the construction of new manufacturing facilities in the US has soared 116% over the past year," while a survey suggests many U.S.-based corporate executives see fit to move production out of China, with many such operations expected to return to the U.S. or Mexico. While high labor costs have long been used to justify offshore production, volatile supply chains, shipping complications and costs, tariffs, perceived sociopolitical instability, and other factors—including the proliferation of automation technologies that necessitate fewer laborers to operate in general—have made reshoring to North America a practical, profitable, and safer proposition.

While this development may come as news to some, the fashion and textiles world has been witnessing this trend up close and personal. Indeed, the economics of bringing production closer to the end consumer—immediately delivery that negates the need for vast and vulnerable supply chains, the ability to react to demand in real time, the eco-friendly aspect of a streamlined process, and the mitigation of troublesome external factors in general—is now critical.

Many companies are founding or adapting their businesses by localizing their operations, even in highly regulated and high-cost regions that would not, on their face, appear to be logical production sites. And yet, efficient, on-demand production technologies make these models highly profitable.

Consider Printful, one of the most successful practitioners of on-demand digital direct-to-garment (DTG) fulfillment this past decade. The company has thrived by localizing its operations across many regions, including several locations within the United States—including high-cost Los Angeles.

Consider FABRIC, a so-called "fashion incubator" created to empower independent fashion designers to bring their creations to life, without significant up-front investment or commitment. Using sustainable, versatile, on-demand direct-to-fabric production, they are working to make Arizona a hotbed of fashion production.

Consider countless small businesses like Little Cocalico, where proprietor Jon Boll invested in sustainable, on-demand systems because “people are realizing it’s not more expensive, and you can get better quality giving fellow Americans jobs and bringing production back to the United States and bring sustainability and quality to their businesses.”

One of the greatest attributes of localized, on-demand fashion and textile production models is the strategy is entirely modular; it can be replicated to mitigate risk, foster operational agility and versatility, and deliver profitability anywhere.

One such example is Fashion-Enter – who leverages direct-to-garment and direct-to-fabric production systems to educate, empower, and fulfill the needs of aspiring fashion designers in the United Kingdom. That they can successfully do so within the city of London, the high-cost cradle of the Industrial Revolution itself, demonstrates how “Make It British” can also mean “make it sustainably, make it with superior quality, make it in any quantity, make it without limitations, make it brilliant—and make it cost-effectively every time.”

Regardless of the challenges we face, game-changing technologies have provided a solution in times of need. In the past 40 years, technological advancements have made considerable gains in the areas of alleviating poverty, improving healthcare and wellness, revolutionizing the ways we communicate (and shop), increasing our quality of life, and far more.

Where simple economics once drove manufacturers to solve their problems by moving their operations to far-flung locations where both labor and space were cheap and plentiful, those committed to developing sustainable, efficient, highly automated, and versatile production technologies have made it more profitable than ever to bring those operations back home. Finally, unpredictable global market dynamics, like any number of risks and complications during these past few years, have compelled business leaders to embrace the wisdom of doing so.

Source: sourcingjournal.com – Aug 17, 2022

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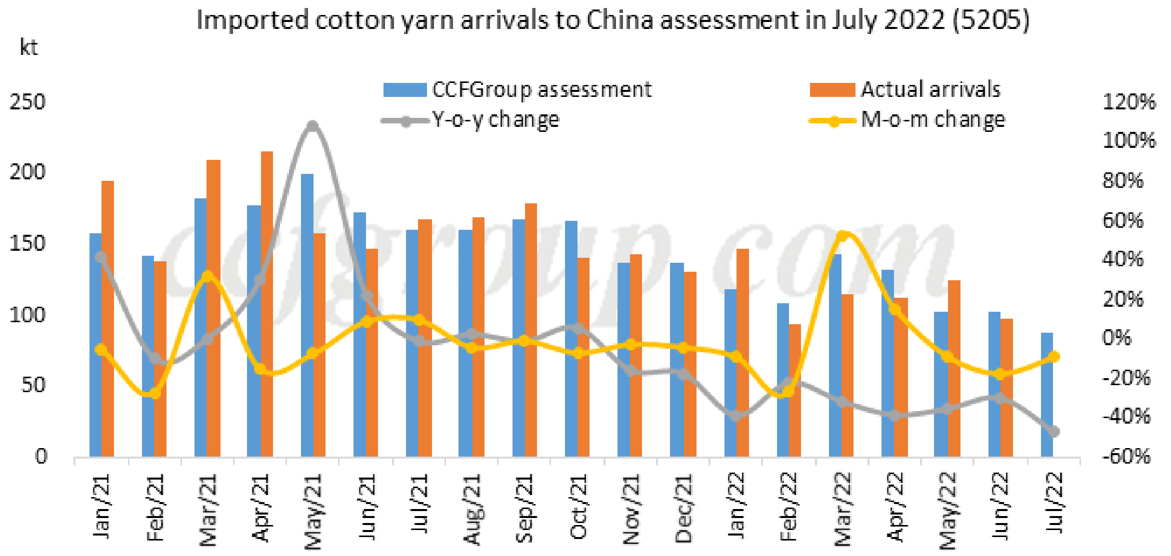
China: July'22 cotton yarn imports may move down

1. Imported cotton yarn arrivals to China assessment



According to export data of major cotton yarn import origins and initial research of cotton yarn arrivals of China, Jul cotton yarn imports of China is estimated at 88.2kt, down 50% on the year and down 9.3% on the month.

Analyzing from the price gap between spot imported yarn and forward one, only orders of Pakistani siro-spun yarn had meager profit from May to June. Therefore, the overall arrivals of imported yarn reduced largely. From June to July, forward imported yarn prices fell quickly in line with the drop of international cotton prices, and the profit of imported Vietnamese cotton yarn recovered again.

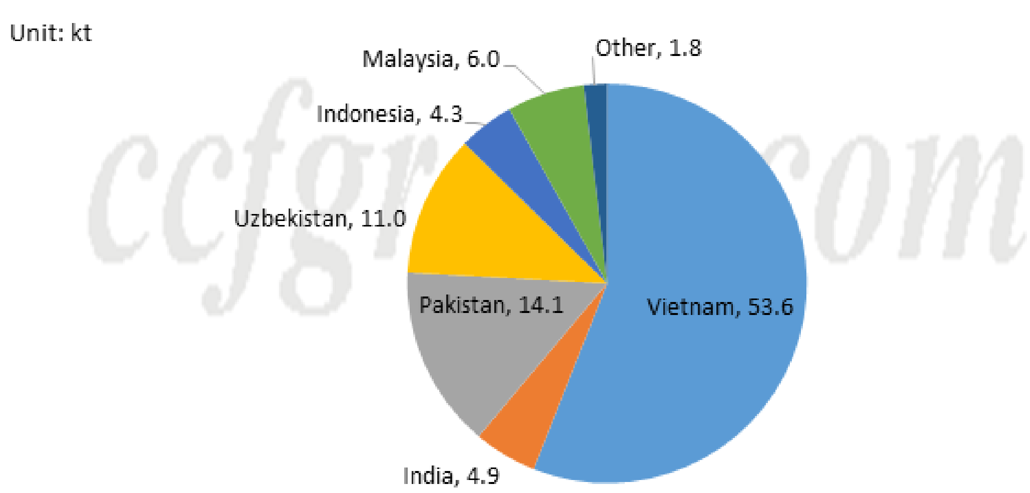
At the beginning of July, as forward imported yarn prices fell back, most domestic traders restocked a few Vietnamese woven and knitted yarn to prepare for the sales in the latter half of this year.

In terms of shipment, the relatively low-cost Vietnamese yarn are expected to arrive in early-Aug and mid-Aug, while the arrivals of Vietnamese yarn in Jul is estimated to be around 47Kt, as low as Jun's. Vietnamese yarn and textile industry were undoubtedly hit by the surge of US cotton.

The rise of feedstock cost made local cotton yarn mills continuously lower the operating rate to ease the inventory pressure. Meanwhile, China, one of the markets that are sensible to prices, reduced the imports of Vietnamese yarn by around 40% in recent months.

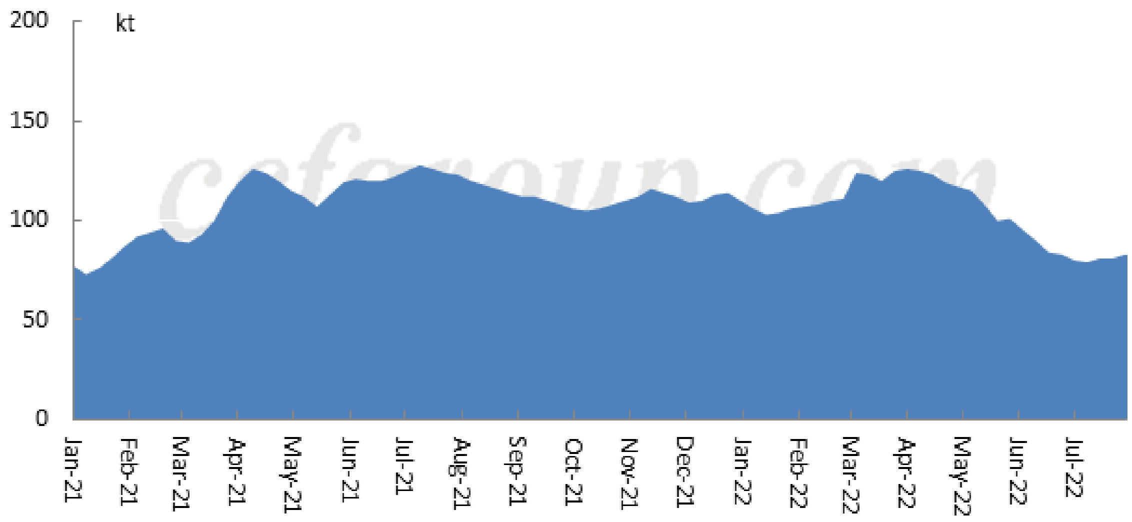
Some shipments of Pakistani yarns were delayed to July with an estimated quantity of 14Kt. Uzbekistan yarn exports reduced greatly due to new requests for materials traceability.

Cotton yarn imports assessment in July by countries and regions



2. Destocking of imported cotton yarn slowed down

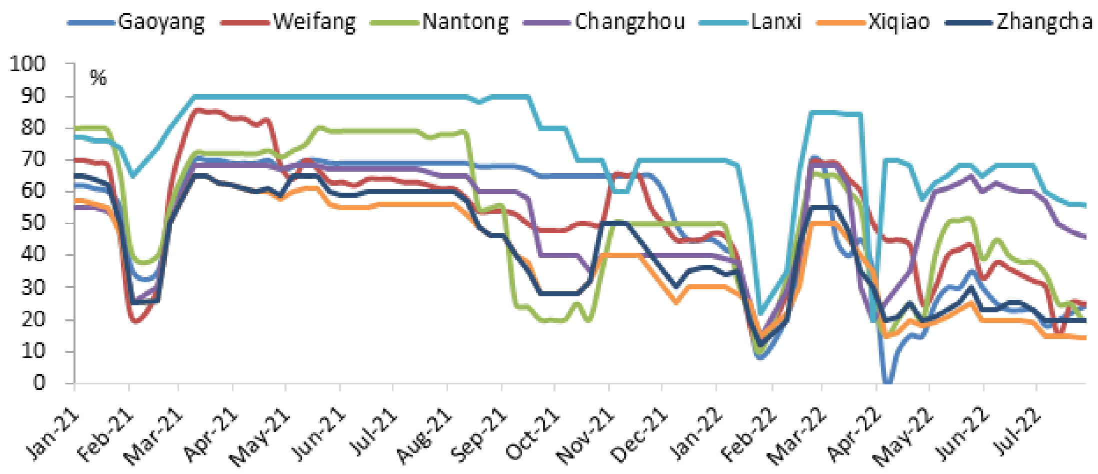
Imported cotton yarn stocks in China



The trades depended more on export orders after imported yarn gradually lost price advantage. Downstream procurement willingness was inhibited continuously in late-Jul as foreign and domestic cotton prices fluctuated and dropped. Even though market sold with low prices consistently, the sales in Jul were harder than the same off-season previous year. Mills and traders kept selling for rigid demand after accumulating inventory within narrow range, and the overall destocking was slow.

3. Conclusion

O/R of fabric mills in major cotton yarn consumption areas in China



On the one hand, imported yarn arrivals depend on price advantage and market risk . On the other hand, it more rely on market demand. According to latest data, from Jan to Jul 2022, China's exports of textiles and clothes amounted to about 189.35 billion yuan. The export growth rate of both textiles and clothes reached more than 10%.

Beneath firm export demand, cotton clothes export was far worse than chemical fiber product export, which was demonstrated by the great decrease of imported cotton yarns. International cotton price suspended rising temporarily with the reduction of demand. The reduction of demand for spot imported yarn is mostly certain in the latter half of the year, and there will be small peak of arrivals again in Aug.

Source: ccfgroup.com- Aug 18, 2022

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US cotton exports for MY 2021-22 falls by estimated 1.7 mn bales

US cotton exports for marketing year (MY) 2021-22 are estimated to have fallen by more than 1.7 million bales from the previous MY to 14.7 million bales due to less exportable supplies, according to the US department of agriculture (USDA). Despite higher production, beginning stocks in August 2021 were more than 4 million bales lower than a year earlier.

Depressing export volumes were witnessed in the first half of the marketing year. Higher domestic consumption and logistical constraints also constrained shipments.

According to USDA export sales reporting (ESR), total MY 2021-22 shipments were 14 million bales, 700,000 bales lower compared with the USDA forecast.

For the second consecutive year, China was the largest export market and accounted for roughly one-third of US shipments, according to ESR data. Most exports to China were intended for state reserves.

Of the top ten export markets in 2021-22, Turkey, India and Peru witnessed higher exports relative to the previous year.

US cotton exports for MY 2022-23 are forecast to fall by more than 2.5 million bales because of significantly less exportable supplies compared with the previous year.

Production in MY 2022-23 is forecast to fall roughly 5 million bales to 12.6 million because of drought, particularly in Texas, which normally accounts for more than one-half of US plantings.

Global production is lowered 3.1 million bales with the decline attributed to the United States. Global use and ending stocks are down 800,000 and 1.5 million bales respectively.

Global trade is down 1.8 million bales led by a 2-million-bale reduction in US exports to 12 million, and China imports lowered 1 million bales to 9 million.

Imports were also lowered for Bangladesh, India, Pakistan, Turkey and Vietnam. The US balance sheet shows significantly lower production, exports and ending stocks.

Production is lowered nearly 3 million bales and due to historically high abandonment in the US Southwest; ending stocks are forecast at their lowest level in nearly 100 years to 1.8 million bales.

Global cotton production is lowered over 262,000 bales from last month due to a decline in Brazil. Global use is down 575,000 bales, and ending stocks are up over 685,000 bales.

Global cotton trade is down with a 342,000- bale-drop in imports and 642,000-bale drop in exports. Notable decreases in imports are observed in Bangladesh, China and Pakistan; exports are down in Australia, Brazil, India and the United States.

Source: fibre2fashion.com- Aug 17, 2022

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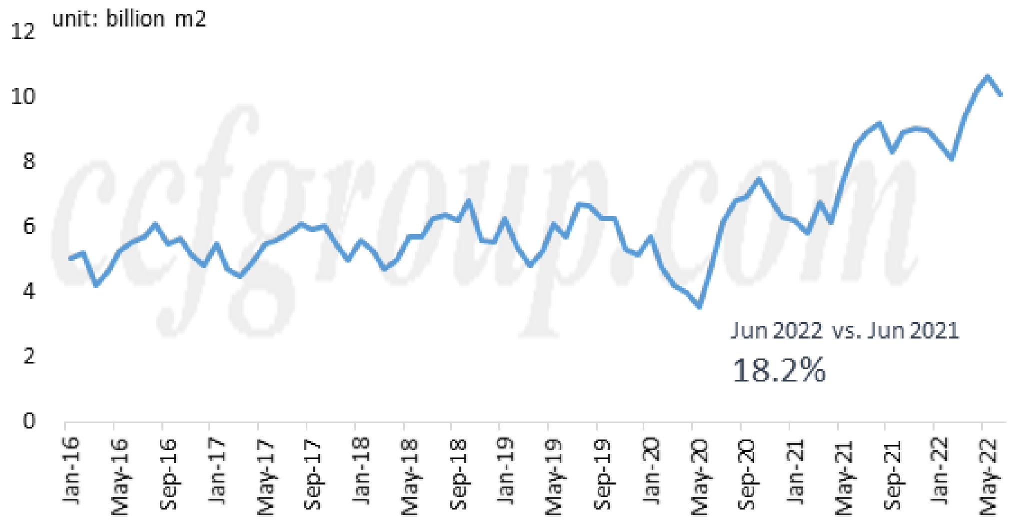
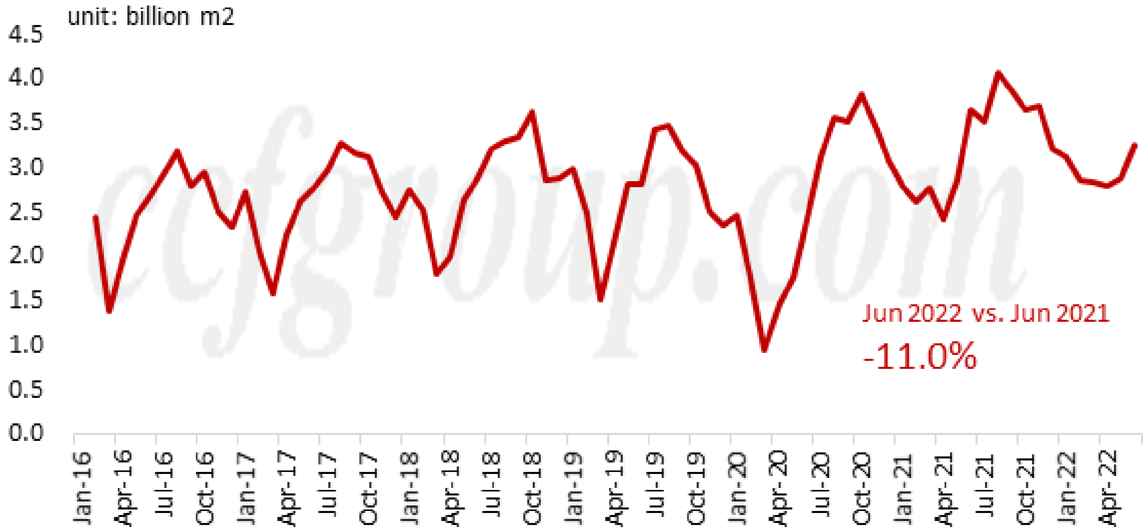
China's share in US textile and apparel imports increased in June

The latest data showed that US textile and apparel imports value in Jun 2022 increased to 11.45 billion USD, up by 28.1% year-on-year. The imports volume reached 10.65 billion m2, up by 18.2% year-on-year. US apparel imports value in Jun 2022 rose sharply to 8.64 billion USD, up by 40.3% year-on-year, and the imports volume reached 2.76 billion m2, up by 18.9% year-on-year.

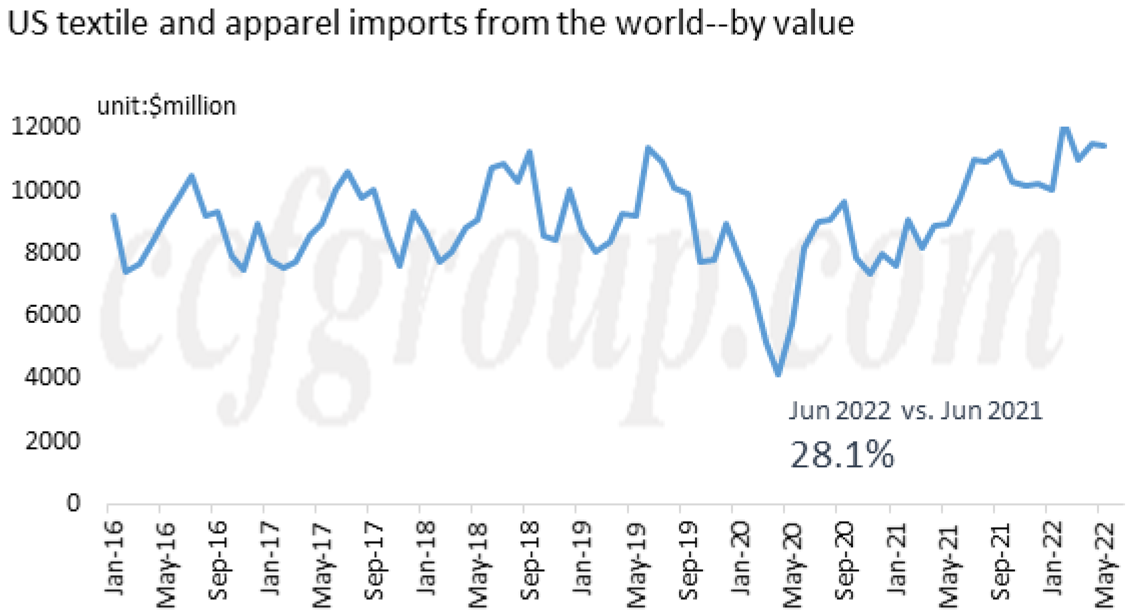
US textile and apparel imports from the world--by volume

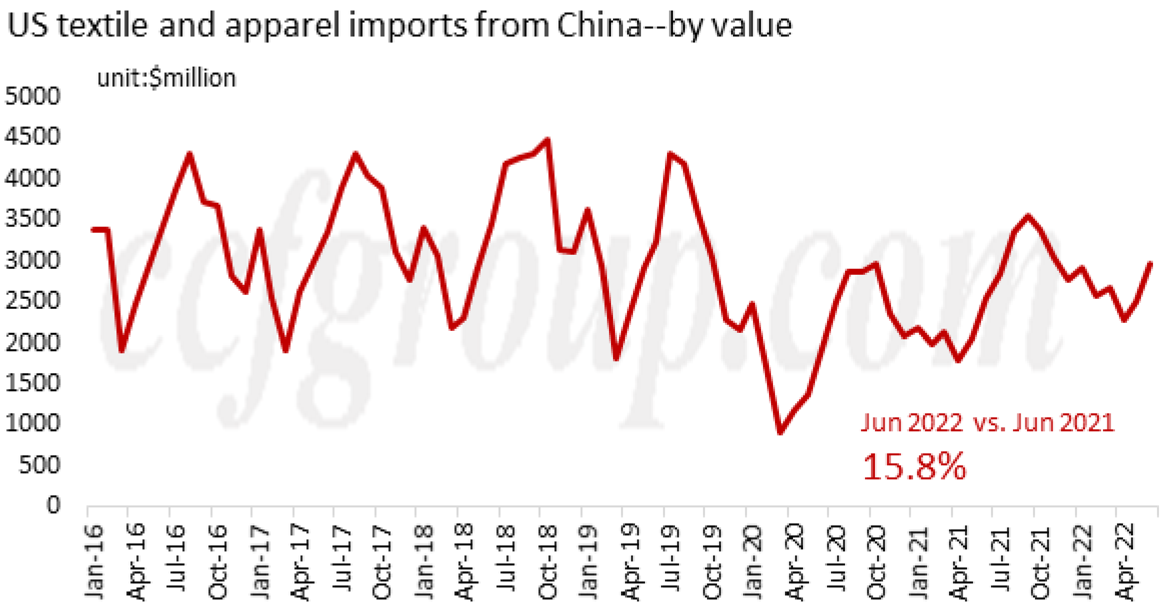


US textile and apparel imports from China-by volume



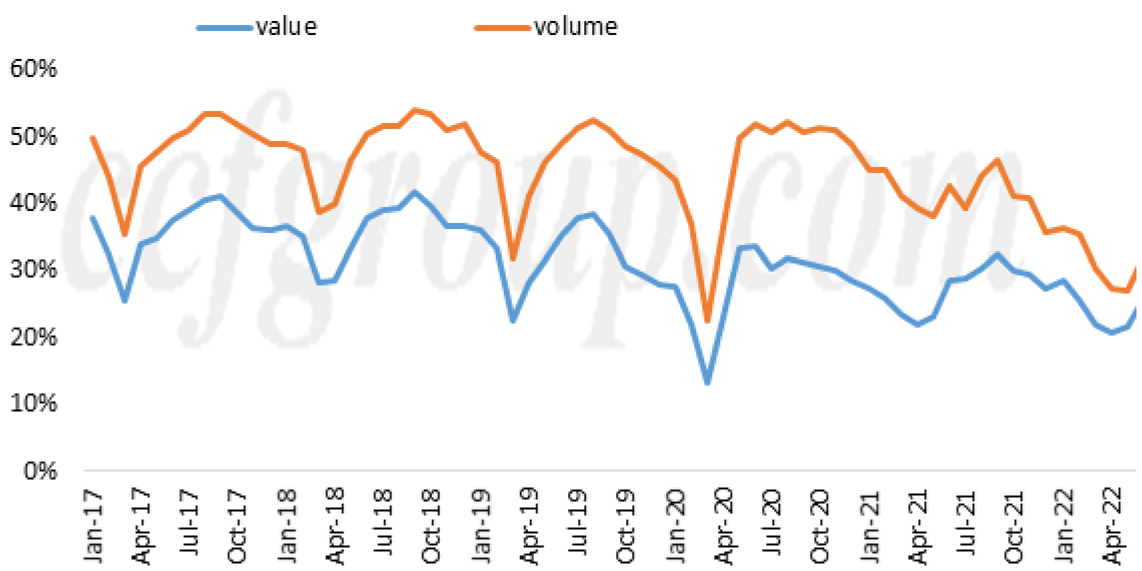
The US textile and apparel imports volume from China in Jun 2022 reached 3.25 billion m2, down by 11% year-on-year. The imports value reached 2.95billion USD, up by 15.8% year-on-year. US apparel imports value from China in Jun 2022 rose to 1.98 billion USD, up by 32.9% year-on-year, and the imports volume reached 1.04 billion m2, up by 12.5% year-on-year. Compared with 2019, the total imports value from China decreased by 11.5%, and the reduce rate saw a seasonal decrease.





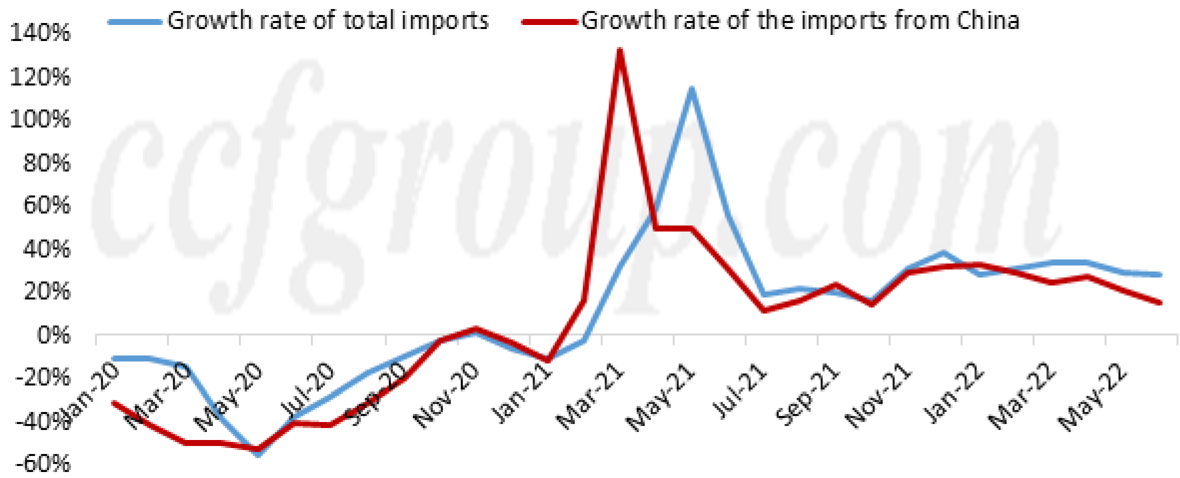
Over the past 5 years, China's share in US textile and apparel imports was on the decline. And it stayed at 25.8% by Jun 2022.

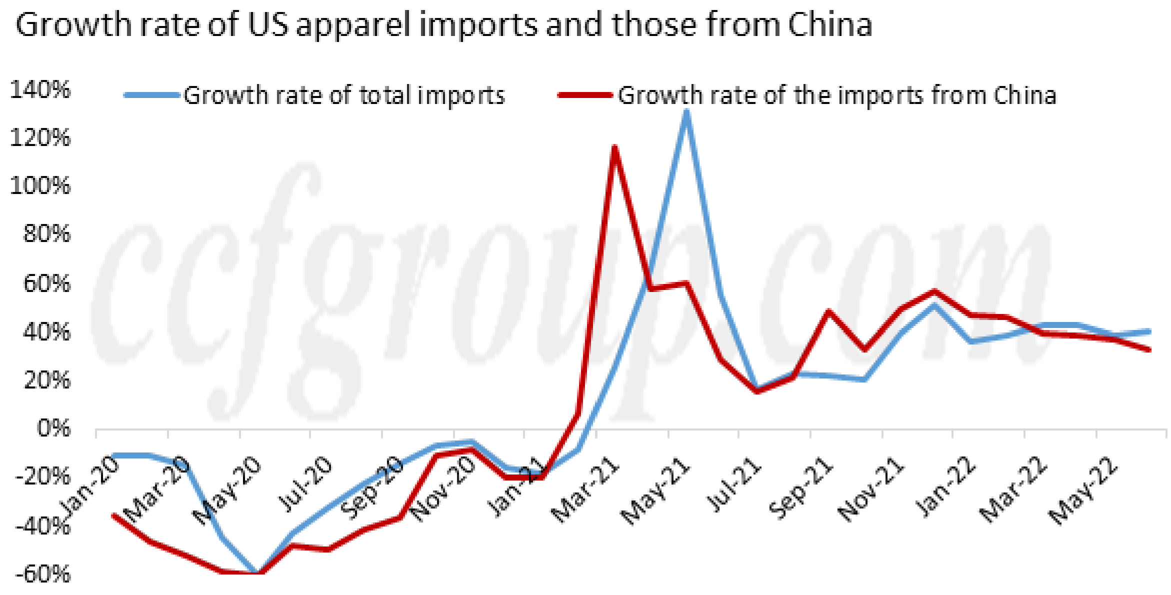
China's market share in US textile and apparel imports



In terms of growth, the growth rate of US textile and apparel imports from China was not as good as its average imports growth, and the disparity was widening. The major cause might be the proportion decline of epidemic prevention supplies in China's textile and apparel.

Growth rate of US textile and apparel imports and those from China





In view of US apparel imports growth, the average US apparel imports growth was close to that from China. However, the tendency told that the growth rate of US apparel imports from China began to lag behind since March.

Source: ccfgroup.com- Aug 18, 2022

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Diversification can help Cambodia's apparel exporters restrict recession effects

Garment exporters in Cambodia are experiencing a major downturn with Western buyers either reducing or revising orders. Ken Loo, Secretary General, Garment Manufacturers' Association of Cambodia (GMAC) notes, an unstable global environment and possibility of an economic recession in the West have sparked the decline in export orders.

As per the Phnom Penh Post report, labor costs of garment exporters in Cambodia have surged on account of a new pension scheme being launched for private sector workers from October 1 and sectoral minimum wages will be effective from January 1.

Rising logistics and compliance costs add to woes

This double whammy is being further aggravated by other issues like rising logistics and compliance cost, adds Loo. While exports are growing, the net income of exporters have not grown as much due to rise in other costs. Exporters' profit margins continue to remain low as seen from the ratio of value added products to labor-related costs, adds Loo. Only 39 per cent companies made profits last year while 43 per cent reported a loss, points out Loo citing a study by the Japan External Trade Organization (JETRO).

Accelerate policies to restrict downturn

To overcome losses, Cambodian garment companies would need to adopt cost-effective measures, opines Loo. He recommends, Cambodia should accelerate the Garment, Footwear and Travel Goods Sector Development Strategy 2022-2027 to help cushion coming downturn. Penn Sovicheat, Spokesman, Ministry of Commerce upholds GMAC's concerns over the Ukraine conflict and other issues affecting Western countries. These can indeed hamper export orders for Cambodian textile-related products, he adds.

Introduce new FTAs and trade strategies

He urges exporters to opt for nearshoring besides signing free trade agreements with new countries as COVID, the Ukraine crisis and soaring shipping costs threaten to derail trade with more distant markets.

Public and private stakeholders also need to explore new markets and devise new trade strategies, says Hong Vanak, Researcher, Royal Academy of Cambodia.

Besides, stakeholders need to reflect on the investments of Western countries on transportation and encourage manufacturers to step these up, Vanak opines. Cambodia's garments, footwear and travel goods exports grew 40 per cent to $6.6 billion in the first half of this year compared to $4.72 billion reported in the same period last year, shows data from the General Department of Customs and Excise.

Source: fashionatingworld.com- Aug 16, 2022

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Indonesian TPT exporters hope to reach $14-bn target in 2022: Minister

Indonesian industry minister Agus Gumiwang Kartasasmita recently expressed optimism about the textile and textile products (TPT) industry expanding its export market to meet the target of $13-14 billion this year. ‘Making Indonesia 4.0’ will encourage the transformation of the textile industry to make it more competitive and innovative, he said.

"We hope the textile industry continues to give good performance, mostly driven by the rapid growth of sales through e-commerce platforms as well as consumer awareness of the sustainability principle in the textile production process, in line with the commitment to reduce carbon and water consumption in the production process," Kartasasmita said in a statement.

Use of sustainable and environment-friendly raw materials and the application of the circular economy principle are also being encouraged, he said. The industry ministry has started a 35-per cent import substitution programme this year to encourage more utilisation of existing industries and boost investment in the country.

A machine and equipment restructuring programme is also being carried out in the fabric refinement and fabric printing industries.

"This effort has been proven to increase production capacity by 21.75 per cent, increase production realization by 21.22 per cent, energy efficiency by 11.86 per cent, and increase sales volume, both domestically and (via) export, by 6.65 per cent," Kartasasmita was quoted as saying by a news agency.

He also lauded the international integrated Textile and Textile Products (TPT) Industry Exhibition, or 2022 Indo Intertex & Inatex exhibition, which was themed “Making Indonesia Textile 4.0.”

The minister added he is open to the possibility of building an integrated textile industry ecosystem in Indonesia.

Source: fibre2fashion.com- Aug 17, 2022

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65% of Korean firms expect exports to drop in H2

A majority of South Korean exporters expect exports to drop in the second half of this year, compared to the first six months, due to declining demand in China and the US, and rising commodity prices, a recent survey by the Korea Chamber of Commerce and Industry showed Wednesday.

According to the poll conducted in the last week of July, 65 percent of 300 local exporters said exports will fall in the June-December period, while 23 percent said they won't change much, and the remaining 12.3 percent said exports will increase.

As for why they think exports will decline, 44.3 percent picked "China risk," or shrinking demand in China and other major export destinations; and 37.6 percent chose "components and commodity shock;" while 18.1 percent selected "chain crisis."

Among companies doing business in China, 72 percent said they think exports will drop in the second half. They projected exports to fall 5.32 percent on average, according to the survey. By industry, exports of home appliances were expected to decrease the most – by 6.67 percent – followed by textiles and clothing (-5.86 percent); steel (-4.32 percent); ships and plants (-0.3 percent); pharmaceuticals (-0.67 percent).

China's economic growth has slowed from 4.8 percent in the first quarter of this year to 0.4 percent in the second quarter. China's export growth has also greatly slowed to 14.2 percent in the first half of this year, from 38.5 percent a year ago. The Bank of Korea has said that in addition to slow recovery of China's consumption and employment, its exports can also slow in the long term, so China's economy is unlikely to recover any time soon.

As for components, the KCCI said that on top of existing global supply chain jams, prices of raw materials have jumped, resulting in unstable supply and rising cost burdens for local exporters.

The Commodity Research Bureau (CRB) Index, an indicator of daily changes in 19 international commodity prices, peaked at 351.25 points on June 9, up 42 percent compared to Jan. 3 this year.

The CRB Index later tumbled down to figures last seen in the late 2000s, but stood at 309.76 points on Aug. 15, up 82.17 points from a year ago. While the situation in Ukraine has destabilized commodity prices, extreme weather conditions across major breadbaskets worldwide are likely to act as a destabilizer for grain and raw material prices, the KCCI said.

The persisting supply chain crisis that began with the pandemic and worsened as the war in Ukraine continues is also a key challenge for local exporters. The Shanghai Containerized Freight Index, the most widely used index for sea freight rates for container transport from China's main ports, increased by 3.9-fold from January 2020 (999 points) to July 2022 (3,887 points), according to the Ministry of Finance and Economy.

The air freight rate for transport between Hong Kong and North America jumped 2.7-fold in the same period.

To the KCCI poll questionnaire on what they want the South Korean government to do, 37 percent of the exporters picked "strengthen economic security by securing global supply channels." Twenty-six percent chose "support (businesses') entry to emerging markets and export diversification;" and another 25 percent selected "expand bilateral and multilateral free trade agreements and improve trade strategy."

Forty-seven percent of the exporters picked the US as the country South Korea should work most closely with, in order to diversify supply channels. This is because the US is seen as a stable supplier with both the resources and high-tech, the KCCI said. As for the "Chip 4" alliance in the semiconductor industry, only 5.3 percent of the respondents said South Korea should not take part.

Forty-one percent said Korea should join Chip 4, but not now. As for the reason why Seoul should join the alliance with the US, Japan and Taiwan, 50 percent said they expect it to help them gain an upper hand in the supply chain reorganization process. Forty-two percent picked "cooperation on semiconductor supply chains is the most important."

Source: m.koreaherald.com- Aug 17, 2022

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Vietnam's garment exports jump by 20% to $22.1 bn in Jan-Jul 2022

As exports rose by 16.1 per cent year on year (YoY) in Vietnam to $216.35 billion and imports increased by 13.6 per cent to $215.59 billion between January and July this year, the country saw a trade surplus of $764 million, according to data from the general statistic office (GSO). Garment and footwear exports jumped by nearly 20 per cent each to $22.1 billion and $14.1 billion respectively in the period.

Vietnam had run up a trade deficit of $3.31 billion in the same period last year.

The United States continued to be Vietnam's biggest export market, followed by China, which was its top trading partner with two-way turnover of $103.1 billion.

Exports to other markets rose by 13-27 per cent. The trade surplus is low and not very likely to be sustained, GSO cautioned.

Many new markets that signed free trade agreements (FTAs) with Vietnam in America such as Canada and Mexico have also increased imports from the Southeast Asian nation.

In January-July, Vietnam's export turnover to Canada and Mexico hit $3.23 billion and $2.4 billion, up by 31.5 per cent and 14.2 per cent YoY respectively.

Source: fibre2fashion.com- Aug 17, 2022

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Bangladesh: BGMEA expresses concern over Bangladesh fuel price hike

Bangladesh's apex garment makers' body, the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), while expressing concern over the recent fuel price hike in the country has underlined it would have impact on the export growth.

BGMEA President Faruque Hassan, reportedly, observed many apparel manufacturing units would suffer losses and may face risk of shutting down on account of the same, while maintaining that in the face of the recent fuel price hike, it was unlikely to reach the export earning target set for this year.

"Factory owners will count loss for already received orders and many of the units will not be able to execute new work orders received. As a result, the export target will not be achieved," reportedly, expressed apprehensions Faruque while underlining the industry is already facing gas supply crisis along with load shedding for five to six hours and in this situation, the increase in fuel price was a big challenge for the garment industry of Bangladesh.

Source: apparelresources.com- Aug 17, 2022

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Bangladesh: BGMEA targets $100 billion revenue from garment exports by 2030

With record export earnings of $42.61 billion in the fiscal year 2021-22, Bangladesh Garment Manufacturers and Exporters Association (BGMEA), has set a target to earn $100 billion by 2030 from the clothing products. In attaining the target of $100 billion export target, the sector has to earn $7.17 billion each year. Against 35.47 per cent growth in FY22, the sector also has to post an 11.26% annual growth in export earnings till 2030. The ambitious target was set at a time when the global economies are bleeding due to the Covid-19 pandemic impacts and ongoing Russia-Ukraine war.

On the other hand, the LDC graduation in 2026 will be another challenge for the exporters. This is because of possible duty free benefits withdrawal by the importing countries in the post-graduation period. Several researches showed, Bangladesh will have to range from 9%-12% duty after Bangladesh's graduation to a developing country.

In FY22, export earnings from apparel products rose sharply by 35.47 per cent to $42.61 billion, which was $31.45 billion in the previous year. The sector contributed 81.81 per cent to the national exports. Of the $42.61 billion, knitwear products fetched $23.21 billion, up by 36.88 per cent from last fiscal year's $19.91 billion, while woven items earned $19.39 billion, registering a 33.82 per cent growth. Knitwear products contributed much better than woven products.

Knitwear products contributed 44.56 per cent, while woven products 37.23 per cent. For sustaining the growth and to earn the $100 billion from the sector, there is a strong need to bring balance between woven and knitwear products. Knitwear products did well as the sector has a strong backward linkage and it can meet 85% to 90% demands of raw materials from domestic sources.

On the other hand, the woven sector can meet around 50 per cent raw materials from domestic sources, which is a barrier to growth. To reduce the gap between the woven and knitwear sector, the industry people have to come up with new investments to improve capacity to supply raw materials from local factories.

Source: fashionatingworld.com– Aug 17, 2022

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NATIONAL NEWS

Free trade agreements (FTAs) with the developed world an important agenda of Modi government: Shri Goyal

Union Minister of Textiles, Commerce & Industry, Consumer Affairs and Food & Public Distribution, Shri Piyush Goyal said that Textile Industry has a big role to play in making Free Trade Agreements a success. Delivering the Keynote address at the 10th Asian Textiles Conference TEXCON on the theme- 'Reimagining the Textile and Apparel Industry for the next Decade', he said that FTAs with Developed Countries is high on the agenda of Modi Government.

Shri Goyal said that innovation is going to be the defining feature in India's march towards becoming a Developed Nation. He highlighted the role of innovation across all value chains in the Textile sector and also urged the Textile sector to focus on recycling and digitization. He said if the industry focuses on innovation, sustainability, digitisation, newer products and utilisation of Free Trade Agreements (FTAs), it can grow fast and compete with the best in the world.

Speaking on sustainability, Shri Goyal said that textiles sector can reduce the pressure on the environment by using reusable resources as well as reduce its own production costs.

Shri Piyush Goyal said that digitisation is another area which can help optimise the entire value chain in the sector.

He expressed satisfaction at the fact that the industry captains are talking about digitisation. In current era of information technology, every industry is benefitting from new technologies like blockchain and more. He suggested that the industry should think about high quality products and elementary products like zip and embellishments, which the Indian textile industry imports at present.

The Minister said that the industry is now benefitting greatly from the vision of Prime Minister Narendra Modi. Shri Goyal said that as we complete 75 years of independence, we can take pride in achievements of Textiles sector over 75 years.

Referring to PM's independence speech where he referred to Panch Pran of Goal of Developed India; Remove Colonial Mindset, Take Pride in Roots; Unity and Sense of Duty, the Minister said, "Every citizen has a role to play with collective energy and collective commitment and the resolve of 1.3 billion people will help us achieve the five commiments articulated by the Prime Minister.

Complementing Confederation of Indian Textile Industry, CITI, for bringing together all stakeholders of the Textiles value chain on one platform , the Minister said that the theme, 'Reimagining the Textile and Apparel Industry for the Next Decade' is very appropriate, specially with Indian textile exports aiming to reach the target of $100 billion by 2030. He appreciated the forward looking approach of the 10th edition of the Asian Textile Conference.

CITI and Egyptian Cotton also signed a Memorandum of Understanding (MOU) in the presence of the Minister, Shri Piyush Goyal. Both the industry bodies will work together for mutual benefits.

Minister of State for Textiles, Smt. Darshana Vikram Jardosh in her address, urged the captains of the Indian textile and apparel industry to prepare themselves to face the challenges of structural shift in the global textile market.

In his address, Secretary, Ministry of Textiles, Shri Upendra Prasad Singh, said that every industry and sector in India must play a role in achieving the target of becoming a developed nation in the next 25 years as per the vision of the Prime Minister. He said that the Indian textile industry has the strength to expand in the global market as it has a complete value chain. The government is working proactively to address the current problems of the industry, he added.

T. Rajkumar, chairman of the Confederation of Indian Textile Industry (CITI) in his welcome address said that the global textile industry is witnessing a reshuffle of the entire supply chain including the countries from which apparel is sourced. Terms like 'China Plus One', re-shoring, onshoring, etc are being commonly heard in interactions across the textile value chain. He said that the value of global textile and apparel exports stood at $828 billion in 2021, registering a growth of 8 per cent over $770 billion in the previous year.

The share of textile, apparel and handicrafts in India's total exports was 10.62 per cent in 2021-22. In addition to being the largest producer of cotton and jute, India is the second largest producer of silk.

The technical textiles segment too has an estimated 9-11 per cent share in the global market.

Source: pib.gov.in– Aug 17, 2022

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India's textile industry could expand to $250 bn, exports at $100 bn in 5-6 years: Goyal

Second phase of PLI scheme for textiles could be announced soon; focus on garments

India's textile industry could expand in size to $250 billion and achieve exports of $100 billion over the next five-six years if the industry focuses on innovation, sustainability, digitisation, newer products and utilisation of Free Trade Agreements (FTAs), Union Textile Minister Piyush Goyal has said.

"FTAs with developed countries are an important agenda item of the Modi government. We will continue to engage with you so that we can get the best out of these FTAs. I hope you will study our FTAS and make the best use of it...Unless we see significant ramp up of exports to these markets, we will not get the satisfaction that we are doing the right things," Goyal said addressing industry representatives at the 10th Asian Textile Conference (ATEXCON) on Wednesday.

Resource optimisation

The industry can optimise its resources for demand by innovating its system. "It can utilise innovative ideas and digitisation in supply side too. The industry can handle stiff competition more effectively by innovation and digitisation," the Minister said. India's textiles exports are set to cross $ 40 billion in the current fiscal while the industry is valued at over $100 billion.

Speaking at the event, Textiles Secretary Upendra Prasad Singh said that the Textile Ministry was likely to come up with the second phase of the Production Linked Incentive scheme for textiles soon and this time the focus is likely to be on garments.

He said that the Textiles Ministry was in consultation with States to ensure availability of efficient infrastructure including power and smoothening of labour laws at the Mega Textile Parks.

Source: thehindubusinessline.com– Aug 17, 2022

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Indian textile industry needs to face global challenges: Jardosh

Union minister of state for textile Darshana Jardosh urged the Indian textile industry to prepare itself to face the challenges of structural shift in the global textile market. She was speaking as the guest of honour at the theme session of the tenth edition of the Asian Textile Conference (ATEXCON) currently underway in New Delhi, India.

Senior ministry officials and industry captains are attending the ATEXCON.

The minister appreciated Indian industry for playing a proactive role in the global market. She said that the recent ban by the US on cotton originating from Xinjiang region in China can cause cotton prices to go up in the international market and the Indian industry needs to prepare itself to face the problem.

Indian currency has recorded depreciation against the US dollar which may provide temporary relief, but other Asian currencies have recorded more depreciation against the dollar, which may cause the competition to intensify in the international market. Indian textile exporters will have to develop capacity to face the stiff competition.

The theme for this edition of ATEXCON is the prospects and challenges of textile Industry in the next decade. The minister said in the theme session that Indian industry will not only have to face current challenges but also need to prepare itself for the next decade.

She said that there was a structural shift after COVID-19 and textile sourcing countries are working on China Plus One concept which presents tremendous opportunities for the domestic industry.

Minister Jardosh appealed to the industry that it should focus on research and innovation to achieve the goal as per the vision of Prime Minister Narendra Modi. She emphasised on training workers who work in the country's cottage industry of the textile sector.

Textile secretary Upendra Prasad Singh said in the theme session that every industry and sector in India must play a role in achieving the target of becoming a developed nation in the next 25 years as per the vision of the Prime Minister. He said that the Indian textile industry has the strength to expand in the global market as it has a complete value chain. Many other countries lack such strength. The government is working proactively to address the current problems of the industry.

Singh added that the industry is demanding raw material security which is an important area to be addressed. The government is working to increase cotton production and quality. But man-made fibre is quite important to ensure raw material supplies. He asked industry representatives to focus on the sustainability of the value chain.

Many products can be produced by blending recycled fibre which is more cost effective and sustainable. He urged the industry to increase efficiency to face global challenges. Bangladesh and Vietnam have succeeded in increasing their share in the US market and the Indian industry will also have to develop the strength to expand its market share.

T. Rajkumar, chairman of the Confederation of Indian Textile Industry (CITI) said in his welcome address that the global textile industry is witnessing a reshuffle of the entire supply chain including the countries from which apparel is sourced. Terms like ‘China Plus One’, re-shoring, onshoring, etc are being commonly heard in interactions across the textile value chain.

He said that the value of global textile and apparel exports stood at $828 billion in 2021, registering a growth of 8 per cent over $770 billion in the previous year. Accounting for around 37 per cent of the figure, China continues to be the number one textile-apparel exporting country. With around 5 per cent share each, Bangladesh, Germany, and India are neck-and-neck, followed by Vietnam at 4.5 per cent.

The share of textile, apparel and handicrafts in India’s total exports was 10.62 per cent in 2021-22. In addition to being the largest producer of cotton and jute, India is the second largest producer of silk. The technical textiles segment too has an estimated 9-11 per cent share in the global market.

The government of India too had temporarily removed basic customs duty on cotton import till September 30, and later extended it by a month till October 31, 2022.

But this did not help the industry in reducing the overall production cost as raw material prices saw an exponential rise globally.

Source: fibre2fashion.com– Aug 17, 2022

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EU to flag India's unfair 'buy national' practice in FTA talk

The EU has listed secors where pending issues need to be resolved. These include cars, car parts, agriculture, medical devices, pharmaceuticals, sanitary and phytosanitary (SPS) irritants, public procurement, non-tariff barriers such as quality control orders, certification, compliance with international standards and localisation requirements.

The EU wants India to prohibit what it calls "discriminatory 'buy national' practices", including some relating to the Make in India and Atmanirbhar Bharat initiatives, claiming that they aim to favour domestic manufacturing, discourage imports and thus "significantly affect market access for EU firms", according to a text endorsed by EU Parliament last month, which will guide the 27-member bloc's negotiations for a free trade agreement (FTA) with New Delhi.

It pitches for a comprehensive chapter on public procurement to enforce the principles of transparency and non-discrimination in public procurement through effective remedy procedures. It seeks a review of any technical barrier to trade in India in ICT products, medical devices, toys, alcoholic beverages, polished diamonds, agricultural products, food and steel. At the same time, it wants India to go beyond the WTO Technical Barriers to Trade Agreement and "ensure that there is no duplication of testing and certification, and streamline licensing schemes, quality control orders and clinical investigations".

While the text encourages negotiators to find swift solutions to the longstanding market access issues across sectors, it's against "compromising on content in favour of a speedy conclusion". This effectively means the EU won't rush to conclude a deal for the sake of having an agreement. The text is based on the European Parliament resolution of July 5 on the EU-India future trade and investment cooperation. It is expected to be used as a guide for the EU officials as they negotiate with their Indian counterparts for the FTA, sources told FE.

After 16 rounds of talks between 2007 and 2013, formal negotiations for the FTA were stuck over stark differences, as the EU insisted that India scrap or slash hefty import duties on sensitive products such as automobiles, alcoholic beverages and dairy products.

India's demand included greater access to the EU market for its skilled professionals. Both the parties were reluctant to accede to what the other wanted. However, FTA talks resumed in June after a gap of almost nine years, following renewed interest shown by both the sides who are willing to take the negotiations to their logical end. The next round of FTA talks are expected to take place in October.

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The text encourages the negotiators "to make good progress in achieving a comprehensive, mutually beneficial, state-of-the-art, WTO-compatible and rules-based FTA, giving priority to areas conducive to sustainable growth and addressing inequalities and the digital and green just transitions".

The EU pitches for comprehensive elimination of tariffs and quotas on a reciprocal basis, with focus on sensitive products, it wants to ensure that reductions in duties will not be offset by an increase in domestic taxes and levies, including at state level, on imported products. It also wants expedited, more transparent and less onerous customs, as well as a comprehensive single-window electronic certification process and the removal of disproportionate import bans.

Source: financialexpress.com– Aug 18, 2022

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GST Council unlikely to correct inverted duty structure on textiles next month

Agenda for next meeting of GST Council in Madurai almost ready

The GST Council is unlikely to take up correcting inverted duty structure for textile anytime soon. Meanwhile, the Council in its next meeting will take up two issues–a circular for not imposing IGST on ocean freight and opening up windows for transitional credit beside reports by two Group of Ministers (GoM).

The next Council meeting is scheduled to take place in Madurai (Tamilnadu) next month, though date has not been fixed yet.

IDS on Textiles

A senior Finance Ministry official confirmed to BusinessLine that no time line had been proposed yet for correcting the inverted duty structure (higher duty on raw materials and other inputs and lower duty on final product). "This is not just an economic issue but a much bigger political issue and considering state assembly election in Gujarat, the possibility of considering IDS on textile soon is ruled out," he said.

In December, the GST Council had decided to defer correcting IDS on textile from January 1, 2022. It was decided that the GoM on rationalisation will look into this issue and suggest a special rate after correction of IDS. In its interim report, the GoM focussed on correction of IDS in some of the sectors and also on exemption. Now, it is working to preparing another report, but as of now there is no indication that the textile issue is to be part of this report.

Prateek Bansal, Associate Partner (Tax and Custom) with White & Brief, said that accumulation of ITC due to the inverted duty structure on textiles segment is a longstanding issue, adding that ITC accumulation can be corrected either by rationalising input/output GST rates, or by allowing the industry to claim cash refund of the accumulated ITC.

While the Government is unlikely to open-up refund route, the increase in output GST rates (as was proposed earlier) was also rolled back due to protests by the industry (especially from Gujarat).

Blockage of working capital

"The Government must not lose sight of the fact that this delay in adopting corrective measures is causing huge blockage of working capital of the businesses, besides inflationary pressure," he said. Further, the inverted structure is encouraging imports of the synthetic textiles, thereby giving a major blow to domestic manufacturers (including under the Production Linked Incentive Scheme).

Saket Patawari, Executive Director with Nexdigm, said that the correction in case of inverted duty goods can be achieved only by way of increasing rates of goods being sold, which can ideally be recovered only by raising the prices of goods. In the past, it was observed that when GST rates were proposed to be increased for the textile sector, most of the industry players had protested against this. "This certainly shows that if rate corrections for textile sector are postponed, while the input tax credit may continue to pile up, a temporary relief may be experienced by this sector. Moreover, the recent correction in the formula for inverted duty structure refund should provide an additional respite to the sector," he said.

Agenda for Council meeting

Meanwhile, the official quoted above said that the agenda for the next council meeting meeting is almost firmed up. These include issuance of a circular (after Supreme Court ruling) rejecting GST on ocean freight, approval to allow the opening up GST portal for transitional credit beside two reports of GoM.

Tentative Agenda for Madurai GST Council Meeting

- To examine recommendations of Group of Minister on online gaming, casinos and horse racing
- To examine recommendations of Group of Minister on Goods and Service Tax Appellate Tribunal (GSTAT)
- To consider second report of Group of Ministers on rate rationalization (subject to submission)
- To consider giving post facto approval to a circular on opening two months special window related for transitional credit
- To consider issuance of circular for removing IGST on ocean freight

Source: thehindubusinessline.com– Aug 17, 2022

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India-Bangla cargo movement via waterways rises by 20% in FY22

India-Bangladesh cargo movement via waterways increased to 47.4 lakh tonnes in fiscal 2021-22—a 20 per cent rise as Bangladeshi manufacturers preferred the river routes for transporting raw materials from India. The figure is the highest since fiscal 2001-02, according to data from the Bangladesh Inland Water Transport Authority (BIWTA).

The figure nearly doubled in four years from 24 lakh tonnes in fiscal 2018-19 due to a rise in cement production in Bangladesh, according to a report in a Bangladesh newspaper.

During the last fiscal, Bangladesh vessels carried 42.18 lakh tonnes while Indian vessels carried 5.22 lakh tonnes.

This is the third consecutive year cargo movement through waterways between India and Bangladesh has being growing.

The pandemic, convenience and lower cost encouraged many businesses to prefer waterways to transport goods from India under a Protocol on Inland Water Transit & Trade between Bangladesh and India (PIWT&T) signed in 1972.

Source: fibre2fashion.com– Aug 18, 2022

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Bangladesh PM Sheikh Hasina gives green signal for CEPA with India

Bangladesh Prime Minister Sheikh Hasina has given the green signal to begin formal negotiations for signing a comprehensive economic partnership agreement (CEPA) with India in what can also boost trade and investments in eastern and north-eastern India in a big way.

This will be Dhaka's first trade pact with any country, and it has given preference to India despite requests from China and Japan to have free-trade agreements, ET has learnt. Pacts with Japan and China are still at an assessment stage.

The CEPA will figure high on the agenda during Hasina's proposed visit here on September 6-7.

The proposed deal is expected to boost Bangladesh's export earnings by 190% and India's by 188%, and gross domestic product by 1.72% and 0.03%, respectively, as revealed by a Dhaka-Delhi joint feasibility study.

The CEPA will cover trade in goods and services, investment, intellectual property rights and ecommerce.

In the last fiscal year, Bangladesh's exports to India rose to nearly $2 billion for the first time. Imports from India totalled $14 billion.

Officials from Dhaka said Bangladesh already enjoyed duty-free and quota-free benefits for the exports of all but 25 products, including tobacco and alcohol, to India, as a least developed country under the South Asian Free Trade Area agreement.

During the visit of PM Narendra Modi to Bangladesh in March 2021, he and Hasina issued instructions on concluding the joint feasibility study relating to the signing of the CEPA.

Accordingly, Bangladesh's Foreign Trade Institute and India's Centre for Regional Trade conducted the detailed joint feasibility study. In May this year, they sent the study report to their respective commerce ministries. The report suggested launching negotiations for the signing of the CEPA.

Once the trade deal is signed, Bangladesh's export earnings will go up by $3-5 billion and India's by $4-10 billion in the next 7-10 years, according to a final draft report of the joint feasibility study.

It will also open new investment windows for both countries, the study claimed.

"It may be concluded that the estimates and analysis of this study indicate that the proposed CEPA between India and Bangladesh is not only feasible but also mutually beneficial in terms of possible gains in the realms of trade in goods and services, and investment," according to the study.

Bangladesh is India’s biggest trade partner in South Asia, and India is the second biggest trade partner of Bangladesh.

Source: economictimes.com– Aug 18, 2022

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Storm after calm in cotton market as prices gain on lower US crop

Spot prices near ₹1 lakh a candy

Cotton prices are heading higher again in the global market after the International Cotton Advisory Comittee (ICAC) and the US Department of Agriculture (USDA) estimated a drop in production next season starting October.

The estimates have driven the natural fibre prices by 14 per cent in the past week. Benchmark cotton futures on New York's Intercontinental Exchange surged to as high as 125 US cents a pound on Tuesday before settling lower at 121 cents (₹76.050 a candy of 356 kg).

In India, cotton futures expiring on August 30 topped ₹50,000 a bale of 170 kg on Wednesday and were last traded at ₹50,500 (₹1.02 lakh/candy). October futures increased to ₹42,400 a bale (₹88,790) and November contracts at ₹38,850 (₹81,356).

Uncertain future

In the spot market, Shankar-6 cotton, the benchmark for exports, is offered at ₹98,500-98,000 a candy. Across the country, about 668 tonnes of raw cotton arrived on Tuesday and the net weighted average modal price (the rate at which most trades take place) was ₹10,582 a quintal. This is against the minimum support price (MSP) of ₹5,726 a quintal this season.

The ICAC said the global market had witnessed "a brief calm period for two months" and those days were over. "The market is seeing an uncertain future over the next few months," it said.

The committee attributed two reasons for the current situation. The first is the collapse of the cotton crop in West Texas, the largest producer of fibre in the US. Drought has promoted growers to abandon all non-irrigated cotton, while they have begun to shelve irrigated cotton too, it said.

The second reason was jittery speculators and investment firms, worried over a global recession, were driving prices down. The fear was wreaking havoc in cotton markets, it said.

Drought impact

The USDA said global cotton production will be lower by 3.1 million US bales (217 kg) in view of the crop in the US being affected. In turn, it estimated a drop in global trade by 1.8 million bales led by a 2.0-million-bale reduction in US exports. "(US) Production in 2022-23 is forecast to fall roughly 5 million bales to 12.6 million because of drought, particularly in Texas which normally accounts for more than one-half of US plantings," the USDA said.

Prabhu Dhamodharan, Convenor of Coimbatore-based Indian Texpreneurs Federation, said the current rally in ICE cotton based on the USDA outlook on Cotton World Markets and Trade might not sustain in the medium term. "Any shortage in the US crop will be compensated by higher crop in India, China and Turkey," he said.

Texas acreage cut

His views are in line with the ICAC. The committee said, "It's possible the deficit could be mitigated by good crops in the world's other top-producing countries but there's no guarantee that will happen." Major General OP Gulia, CEO, SVP Global Textiles Ltd, said cotton prices saw a correction in the first week of August and "when it was looking that they are stabilising in view of new crop arrivals, there was a sudden rise in last one week".

"The sudden spurt saw ICE December futures gain 12.46 cents last week and another 9 cents on August 15 and 16. The WASDE report stated that there is an abandonment of almost 43 per cent of cotton by farmers in the southwestern region due to severe drought. This reduced the acreage from 12.48 million to 7.13 million acres," he said.

Anand Popat, a Rajkot-based cotton, yarn and cotton waste trader, said cotton prices in the spot market will likely rule firm until the arrival of the new crop. "Cotton inventory is low in the market at the moment. The upswing or downswing in cotton price is purely speculative," said Ronak Chiripal, CEO, Nandan Terry Pvt Ltd.

Weak fashion retain scenario

“Prices may not decline much in the near-term since cotton production is lower and demand is stabilising,” he said but cautioned that higher prices could lead to demand destruction.

Dhamodharan said USDA’s projection of a minor contraction in cotton usage is not in line with the current weaker scenario in fashion retail. “Demand contraction in the current economic climate seen across markets will also reduce the cotton consumption more than the USDA estimates. So this short-term rally will not sustain in the medium term,” he said.

Though the area under cotton has increased by five per cent this year, Gulia said the crop is under water in some areas of Maharashtra, Telangana, Gujarat and Madhya Pradesh due to heavy rains. “There is a fear of low yield due to heavy and unseasonal rains and a possible crisis of pink bollworm. Due to low yield, the supply-demand gap is likely to continue,” he said.

Chiripal said the overall demand for cotton globally is less. “Prices are expected to stabilize with the availability of the new crop by the end of September or fist week of October,” he said.

ICAC suspends price projections

“The continuous stress may force mill owners to scale down production or shift to man-made fibres which will have an adverse impact on employment and exports,” the SVP Global Textiles CEO said.

The USDA has also cut the import of cotton by India by 2.5 lakh bales to around 19 lakh bales next season. It has estimated next season’s exports at 49 lakh bales, while the output has been pegged at 352 lakh bales.

Meanwhile, the high volatility in cotton prices has resulted in the ICAC suspending its price projections. It said it will re-evaluate the price situation in September and determine if it should resume the price projection forecast.

Source: thehindubusinessline.com– Aug 17, 2022

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India's Poly spun yarn price eases; PC, recycled yarn prices increase

Polyester and polyester-cotton yarn were traded with mixed trend. Poly spun yarn eased after decrease in polyester staple fibre (PSF), but Recycled PSF yarn gained by ₹10 per kg. Polyester-cotton yarn also noted an uptrend. Reliance Industries Limited (RIL) reduced PSF prices but raw materials' prices were increased. Demand was average amid caution buying.

According to trade sources, buyers again slowed down buying as market was facing a cash crunch. A Ludhiana based trader told Fibre2Fashion, "Buyers were reluctant to buy yarn in large quantities. They hope for strong demand in weaving and garment industry, but they want to make sure about future demand."

Last week, RIL had reduced prices of raw material of PSF after a decline in the China market. There was a possibility that RIL will cut PSF prices by ₹4-5 per kg on August 15. It reviews PSF price periodically while revises prices of raw material on weekly basis.

In Ludhiana market, polyester-cotton and polyester yarn prices noted mixed trend. Poly spun yarn reduced up to ₹7 per kg as PSF prices eased after price cut by RIL. However, 30 count polyester-cotton combed yarn (48:52) appreciated after rise in the natural fibre. 20 PC recycled PSF O/E yarn also jumped ₹10 per kg. 30 count PC combed yarn (48/52) was sold at ₹262-277 per kg (GST inclusive), according to Fibre2Fashion's market insight tool TexPro. 30 count PC carded yarn (65/35) was priced at ₹220-230 per kg. 20 count PC (recycled-O/E) PSF yarn (40/60) was traded at ₹190-200 per kg. 30 count poly spun yarn was sold at ₹172-180 per kg. High tenacity recycle fibre steadied at ₹88-92 per kg.

Reliance Industries Limited had earlier increased prices of purified terephthalic acid (PTA), monoethylene glycol (MEG) and MELT. On last Friday, RIL had fixed prices of raw material as: PTA ₹87 (+1.80) per kg, MEG ₹53.80 per kg (+0.10) and MELT at ₹93.11 (+1.58) per kg. But the price of PSF was reduced ₹4 per kg on August 15. The company decreased price of PSF from ₹120 to ₹116 per kg.

North India cotton prices further jumped as nominal availability encouraged seller for higher quotation. According to traders, there was very thin trade due to negligible availability of cotton.

But spot market prices gained ₹200-500 per maund of 37.2 kg in last one week. Cotton was sold at ₹10,500-10,700 in Punjab, ₹9,800-10,200 in Haryana and ₹11,100 -11,400 per maund in Upper Rajasthan, and at ₹94,000-97,000 per candy of 356 kg in lower Rajasthan.

Source: fibre2fashion.com– Aug 17, 2022

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MSME definition to be modified, FISME calls for suggestions

Ease of Doing Business for MSMEs: Federation of Indian Micro and Small & Medium Enterprises (FISME) is calling for suggestions to put before the central government as they seek to revise the definition of Micro, Small and Medium Enterprises (MSMEs) in the country. The criteria for Udyam registration eligibility might also be reviewed.

The last drastic modification to the definition of Micro, Small and Medium Enterprises (MSME) occurred two years back in 2020 when the investment and turnover figures were increased to accommodate medium enterprises.

The recent rise in the raw material prices has increased the turnover of many small enterprises as a result of which they have crossed the threshold of small enterprises and graduated to medium. On the other hand, due to covid, turnover of many medium enterprises got affected and they became small businesses.

In both the cases, the transition made them ineligible to access subsidies and public procurement that are reserved exclusively for micro and small enterprises.

Also, a number of anomalies have come to light. There are sectors such as defense where capital investments is high but turnover is low. Similarly, in sectors like gems and jewellery, investment is quite low but turnover is extremely high. In either case, it is difficult to fit such huge sectors in the existing MSME definition.

In light of the above, the Union Government is likely to amend the criterion of turnover and investment for the enterprises that are capital heavy. There is also the possibility of introducing a rollover clause of a few years to assist MSMEs that have moved from one threshold to another in the sector.

Federation of Indian Micro and Small & Medium Enterprises (FISME) is amidst collating suggestions to present to the Government for the new definition.

According to the revised definition of MSMEs that was approved by the government in June 2020, the investment limit for micro enterprises was increased to Rs 1 crore (from Rs 25 lakhs) while the turnover limit was capped at Rs 5 crore.

On the other hand, for small enterprises, the investment limit was increased to Rs 10 crore from Rs 5 crore and the turnover limit was set to Rs 50 crore. For medium enterprises, the investment limit was increased to Rs 50 crore from Rs 10 crore along with the turnover limit at Rs 250 crore. The revised definition had also removed the distinction between the manufacturing and services sectors.

Source: financialexpress.com– Aug 17, 2022

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Retailers report sales growth of 18% in July compared to pre-pandemic levels

Retailers witnessed 18 per cent sales growth in July compared to pre-pandemic levels despite inflationary pressures with expectations of a strong festival season in the coming months. This was higher than growth levels seen in June 2022 at 13 per cent compared to June 2019.

Categories, such as sports goods, footwear, apparel, and furniture and furnishing led this growth, according to the latest survey by the Retailers Association of India (RAI).

Sales growth

While retailers in the eastern region reported sales growth of 25 per cent in July 2022 compared to July, 2019, sales were up 21 per cent in the Southern region compared to the pre-pandemic levels. Retailers in northern and western regions clocked sales growth of 16 per cent and 10 per cent, respectively, in July 2021 compared to July 2019.

Kumar Rajagopalan, CEO, Retailers Association of India (RAI), said, “Retail businesses across the country are looking good as healthy growth in sales over pre-pandemic level continues. Considering this trend, retailers expect a good festive season, which could bring cheer to businesses.” He added that key categories, such as footwear and apparel are showing traction.

The industry body said sales across categories witnessed a steady increase. While the sports goods category witnessed a surge of 32 per cent in sales, footwear sales were up 23 per cent in July compared to the pre-pandemic levels. Furniture and furnishings sales grew by 23 per cent, apparel and clothing by 22 per cent, and consumer durables and electronics sales were up 17 per cent

Quick-service restaurant segment continued to clock steady double digit growth at 17 per cent while food and grocery sales were up 11 per cent. Jewellery sales were up 15 per cent and even the beauty and cosmetic segment was in the positive trajectory at 3 per cent sales growth.

Source: thehindubusinessline.com– Aug 17, 2022

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