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Currency Watch	
USD	79.67
EUR	79.82
GBP	90.98
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INTERNATIONAL NEWS

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SAYING NO TO CHILD LABOUR

INTERNATIONAL NEWS

Japan's clothing imports increase 47.3% YoY in August 2022

Japan’s imports of clothing and accessories increased by 47.3 per cent year-on-year to 400,348 million yen (approximately $2,791 million) in August 2022. Clothing imports accounted for 3.7 per cent of the country’s total imports of 10,879,249 million yen during the month under review, as per the provisional trade statistics by Japan’s ministry of finance.

The imports of textile yarn and fabrics were valued at 118,233 million yen in August 2022, which is 43.1 per cent higher than the same month of last year. Textile yarn and fabric imports were 1.1 per cent of the total imports of Japan, according to the data.

Japan exported textile yarn and fabrics worth 62,810 million yen, an increase of 19 per cent year-on-year. The textile yarn and fabric exports accounted for 0.8 per cent of the total exports of 8,061,925 million yen from Japan during August 2022.

Moreover, Japan exported textile machinery worth 25,223 million yen, which was 13.1 per cent higher than August 2021. It contributed 0.3 per cent to the total exports.

Source: fibre2fashion.com- Sep 20, 2022

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China, Ethiopia, & Germany agree to boost textile sector in Ethiopia

Ethiopia, China, and Germany have pledged to increase their cooperation regarding the promotion of the social, labour, and environmental standards in the textile sector of Ethiopia.

Representatives of the three countries endorsed their commitment towards the 'Sustainable Textile Investment and Operation in Ethiopia' project at a recent conference in Addis Ababa, Ethiopia's capital.

The project, which is a collaboration between the China National Textile and Apparel Council (CNTAC), Deutsche Gesellschaft fur Internationale Zusammenarbeit (GIZ), Ethiopian Textile Industry Development Institute (ETIDI), and the United Nations Industrial Development Organisation (UNIDO), intends to address challenges at a global level and endorse the implementation of the 2030 Agenda for African and Asian countries in the textile sector. The initiative mainly focuses on Chinese investors and their Ethiopian business partners in the Ethiopian textile and garment industry.

"So far, China is one of the biggest investors in the textile sector in Ethiopia, with a total of about $450 million. We have over 30 Chinese textile companies in Ethiopia," Zhao Zhiyuan, Chinese Ambassador to Ethiopia, was quoted as saying at the conference according to various Chinese media reports.

The agreement between the three nations took place at the two-day conference held at the United Nations Conference Centre (UNCC) in Ethiopia's capital, Addis Ababa, recently. The conference aimed to foster sustainable textile industry development and increase awareness of the environmental, social, and governance (ESG) framework among all key players in the textile industry in Ethiopia.

Source: fibre2fashion.com- Sep 19, 2022

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Continued commitment by Australia, New Zealand to support ASEAN hailed

The 27th ASEAN Economic Ministers-Closer Economic Relations (AEM-CER) Consultation that recently concluded in Siem Reap welcomed Australia's and New Zealand's continued commitment to support ASEAN beyond the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA) Economic Cooperation Support Programme (AECSP), particularly through the $32-million Regional Trade for Development (RT4D) initiative.

Welcoming the progress of upgrading negotiations of the Second Protocol to amend the agreement establishing the AANZFTA, the meeting noted that the upgraded AANZFTA would provide value-added elements that take into account modern trade practices, including government procurement, trade and sustainable development, and micro-, small and medium enterprises (MSMEs), competition, e-commerce and trade facilitation, a joint statement released at the conclusion of the meeting said.

The meeting hailed the insights proposed by the Australia-ASEAN Chamber of Commerce to enhance trade and investment in the region and encouraged Australian businesses to provide cross-border internship and job exchange.

Source: fibre2fashion.com- Sep 19, 2022

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Intertextile Shanghai Apparel Fabrics and Yarn Expo Cancel Fall Fairs

Intertextile Shanghai Apparel Fabrics and Yarn Expo are cancelling the fall editions of their fairs and merging them with Spring 2023 exhibitions.

Originally scheduled to take place in next month, the two fall fairs will now be combined with next year's spring editions, to be held from March 8-10. Organizers said the decision is due to the ongoing pandemic control measures in Shanghai, while the move will also integrate industry resources more efficiently and provide more certainty to exhibitors in their planning.

"We know how important the autumn sourcing season is for textile buyers and suppliers, but as a responsible trade fair organizer, we hold a commitment both to our participants and the local authorities that extends beyond the fairground," said Wilmet Shea, deputy general manager of Messe Frankfurt (HK) Ltd.

"Given the ongoing pandemic control measures in Shanghai, and after consultations with key stakeholders, we have decided that deferring the autumn fairs to next spring is the most appropriate arrangement for the textile industry."

Shea said while Messe Frankfurt has looked to find an appropriate timeslot later this year for the fall shows to be held, any postponement would congest the trade fair calendar by placing them too close to the Shenzhen editions of Intertextile Apparel Fabrics and Yarn Expo in November, as well as the spring editions in Shanghai next March.

Between now and next spring, the Shenzhen editions of Intertextile Apparel Fabrics and Yarn Expo will offer textile suppliers and buyers the opportunity to expand their business in the Guangdong–Hong Kong–Macao Greater Bay Area, a fast-growing hub for high-end fashion.

Intertextile Shanghai Apparel Fabrics is co-organized by Messe Frankfurt (HK) Ltd.; the Sub-Council of Textile Industry, or CCPIT, and the China Textile Information Center. The co-organizers of Yarn Expo are Messe Frankfurt (HK) Ltd. and the CCPIT.

Messe Frankfurt's China textile fairs form a part of the company's Texpertise Network, which consists of some 50 fairs around the world. With its headquarters in Frankfurt am Main, the company is owned by the City of Frankfurt and the State of Hesse, Germany.

Source: sourcingjournal.com- Sep 19, 2022

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USA: FMC Trying to Fix Messy Import-Export Imbalance

A new rule being considered by the Federal Maritime Commission (FMC) aims to address a common shipper headache over carriers refusing to make space on their ships for certain cargo.

The FMC said last week it opened a 30-day public comment period for stakeholders to weigh in on a rule that could make it more difficult for shipping lines to refuse space on their ships, while also clearly defining the parameters around what can be deemed "unreasonable" refusal of space and service to shippers. The effort is the latest in a number of moves the FMC has made to swiftly begin implementing the Ocean Shipping Reform Act of 2022 (OSRA), which was signed into law in June.

Central to this latest proposed rule is a common complaint among shippers, particularly exporters, who have accused shipping lines of not accommodating their shipments and instead bypassing them in favor of pricier imports from Asia to the West Coast. "The ocean common carriers must establish that its refusal to deal or negotiate with regard to vessel space, which in some cases results in a decision not to accept cargo, was reasonable," the FMC has proposed.

In other words, the responsibility of justifying a decision to refuse cargo would fall on carriers under the rule. Meanwhile, the FMC is also looking to shore up language left murky under OSRA in defining terms such as "unreasonable" or "refuse to deal or negotiate."

Ultimately, the FMC suggested in its rule, "a situation where an ocean common carrier categorically excludes U.S. exports from its backhaul trip will create a presumption of an unreasonable refusal to deal."

"[Carriers], particularly those on the major east-west trade lanes between the U.S. and Asia and the U.S. and Europe, make operational decisions regarding the import and export goods they carry based on both economic and engineering considerations," the FMC said. "Export loads are, on average, heavier than import loads. This means that ships that come into U.S. ports largely laden with goods cannot safely load the same number of laden twenty-foot equivalent units [TEUs] when leaving the U.S. for foreign ports."

The rates charged for U.S. imports have climbed steadily since the pandemic, perhaps explaining the reason for the imbalance between imports and exports. The FMC used the example of rates charged to move goods from Shanghai to the West Coast.

Rates for a 20-foot container traveling that Trans-Pacific route in January 2019 totaled $1,740. That jumped to $4,270 in January 2021 and then $8,130 in January 2022. Rates for exports traveling the reverse route, from the West Coast to Shanghai, totaled $730 in January 2019, $800 in January 2021 and $1,220 in January 2022.

“The economics of this trade imbalance results in very different revenue returns for import and export trades. U.S. imports feature higher value items on average and the rates that shippers pay to move these goods are historically higher than the rates paid to move U.S. exports,” the FMC said.

When the regulatory agency looked at the ratio of twenty-foot equivalent unit imports compared to export TEUs, it found the ratio to be 39 percent in April of this year. The ratio pre-pandemic sat above 50 percent.

“[Carriers] should offer service in both directions within the trade lanes in which they operate in common carriage, regardless of trade lane, length of time active in the trade or vessel size,” the FMC suggested.

OSRA’s passage marked the first major overhaul to U.S. shipping laws in more than two decades and armed the FMC with greater oversight authority over carrier service, ranging from how late fees are assessed to import-export imbalances.

The regulatory agency, since the passage of OSRA, has created a new Bureau of Enforcement, Investigations and Compliance, created a temporary process for shippers to file complaints disputing carrier charges, issued an advisory putting carriers on notice of billing procedures required under OSRA and is considering an emergency order that would require greater transparency of information from carriers and terminals to shippers, truckers and railroads.

Source: sourcingjournal.com- Sep 19, 2022

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Egypt's exports of ready-made garments hit $1.44 bn in seven months

The Ready-made Garments Export Council of Egypt (RMGEC) said the sector's exports hit US$1.44 billion in the period from January to July 2022, marking a 35 percent rise in comparison with the same period in 2021.

In a statement Monday, the council said the US led the importing countries from Egypt in terms of ready-made garments, as its imports rose to $ 820 million in the first seven months in 2022 against $595 million in the same period 2021.

Egyptian ready-made garments exports to Europe also increased by 26 percent to hit $266 million in the above mentioned period, compared to $ 212 million in the same period last year.

Exports to Arab countries increased to 33 percent, reaching $195 million in the seven months, against $146 million in the same period last year.

The council noted that it will take part in the United Nations Climate Change Conference (COP27) – which will be held in Egypt in November – in order to review the latest achievements in the clothes and textiles sector in the field of recycling and turning the industry's waste into a chance for contributing to sustainable economic growth.

Source: egyptindependent.com- Sep 19, 2022

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Pakistan: towards a 30% drop in textile-clothing exports

For the fiscal year ending June 30, the All Pakistan Textile Mills Association was originally forecasting $21 billion in exports. However, the floods could jeopardize the association's goal of reaching the $50 billion mark by 2026.

This is particularly true at a time when cotton is likely to be in short supply for companies able to continue their activities, due to the fact that a large part of the local harvest has been destroyed. Pakistan is the world's 4th largest supplier of cotton, but also the 3rd largest consumer.

"Current estimates of cotton losses are 3.5 million bales, or 36% of this year's expected crop, and losses are valued at $1.5 billion," says APTMA. "Nearly 70% of Pakistan's textile industry ... uses cotton produced in the country.

As almost 35% (a significant amount - Editor's note) of this cotton is produced by farmers in the Sindh province, the sector is preparing for a shortage. Therefore, Pakistan needs to procure this cotton at the lowest possible cost as a matter of urgency so that the sector can continue to meet export orders."

For the trade organization, the stakes are clear: any delay or failure to deliver export orders would further worsen the "balance of payments" of companies in the sector. Consequently for the sector this means the potential loss of orders coming from big international customers, which were difficult to earn.

But where to find cotton? With the loss of part of the Pakistani crop, international buyers have been looking for alternative sources to prevent any shortage. Pakistan finds itself competing with its own customers in this race for cotton.

Turning to neighboring country, India, another massive producer, is currently the preferred source for the Pakistan Textile Exporters Association, which has publicly called for state support in this effort.

The floods come at the end of a fiscal year ending in June during which Pakistan increased its textile-clothing exports by 25.5%, according to local authorities, with 15.4 billion euros worth of goods exported.

In terms of textile-clothing, the country was the seventh largest supplier to the United States ($4.22 billion) and the fifth largest supplier to the European Union (€3.34 billion) in 2021.

Source: fashionnetwork.com- Sep 19, 2022

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Pakistan: Cotton arrivals drop 19pc till mid-September

The supply of seed-cotton to ginning factories dropped by 18.61 percent to 2.186 million bales till September 15, 2022 as compared to corresponding period of last year, dealers said.

Owing to relatively small crop size, cotton prices are hovering around record levels in the country. Currently, they were recorded between Rs22,000 to 23,000 per maund. According to a fortnightly report of Pakistan Cotton Ginners Association (PCGA) issued on Sunday, cotton arrivals in Punjab province trended upward.

As per figures, seed-cotton dispatches were recorded at 1.076 million bales, showing a surplus of 12.16 percent as compared to the same period last year. However, ravaged by floods, Sindh province recorded 1.109 million bales during the period under review, registering a shortfall of 35.72 percent as compared to September last year when arrivals hit 17,26,612 bales.

Out of the processed stocks, textile mills bought 17,61,173 bales, while exporters purchased 30,80 bales. Commenting on the situation, Ahsan-ul-Haq, Chairman Cotton Ginners Forum, said a major portion of cotton sown in Sindh had been damaged due to record flooding. He added that draining of floodwater in Sindh might still take over a month.

As a result of liberalised cotton market, import and export of the silver fibre continues. Hence, besides importing huge quantities of cotton to bridge the production shortfall, Pakistan has also commenced the export of raw cotton.

More than 3,000 cotton bales were exported to Bangladesh, Vietnam, and Indonesia. Moreover, exporters have signed agreements of up to 20,000 cotton bales till now. However, due to smaller crop size, exporters are facing problems in honoring export orders. Besides, the quality of cotton has also been partly affected due to the recent floods and rainfall.

The floods have hit not only the current crops, including cotton, but are also seen hurting future supplies, such as those of wheat, if the water standing in the fields is not drained sooner.

The massive damage to the cotton crop, due for harvest next month could also have serious knock-on-effects. According to Pakistan Central Cotton Committee estimates, around 45 percent of the total sown cotton has been destroyed by the extreme monsoons and subsequent flooding.

Agriculturists warned the crop damages were threatening the country's food security. Cottonseed oil makes up 70 percent of the vegetable oil. The leftover cottonseed cake is used to feed cattle. Given the scale of the damages, the cotton crop could slash fodder production by 35 percent, adding to the concerns of woes of livestock farmers that have already lost over 750,000 animals to drowning and disease.

Source: thenews.com.pk- Sep 20, 2022

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NATIONAL NEWS

India to push big for multilateral reforms of WTO, IMF as G20 Chair

As India readies to take over the presidency of G20, one of the key agenda items it will push for will be reforms in institutions like the World Bank and International Monetary Fund (IMF) to make them more attuned to the needs and aspirations of developing economies, Business Standard has learnt.

Long-pending reforms in multilateral institutions is something that India, as chair, would like to see a solution to, sources say. The belief here, and in almost all developing economies, is that there is under-representation of the 'global south' nations from Asia, Africa and Latin America, and a bias towards European and North American nations.

"The institutions need a greater diversity of perspective and a more balanced approach if they are to retain relevance this century," said a senior official aware of the work going on in drafting India's agenda.

The official, who did not wish to be named, said deliberations are still ongoing as to whether these reforms will include voting reforms in organisations like the World Bank and IMF.

After the G20 Bali Summit, India will take over the chair from December 1 to November 30, 2023. The main G20 Heads of State Summit will be held in New Delhi in September 2023, but there will be various track meetings held across the country.

Officials at the Ministry of External Affairs said ongoing work on multilateral reforms in the context of the G20 is broad and encompasses a host of issues that aim to better represent the growing capabilities of developing nations. Initial work on this subject will take a cue from India's earlier work on creating consensus about multilateral reform at the BRICS forum.

India had been pushing for reforms in a long list of multilateral institutions, including the World Trade Organization, IMF, World Bank, and the United Nations, among others. This included adhering to a principle that multilateralism should promote international law, democracy, equity and justice, mutual respect, right to development and non-interference in internal affairs of any country without double standards.

“As a result, India and other like-minded nations would strive to make reforms that allow more meaningful participation of developing and least developed countries, in global decision-making processes," a second official said.

India will also seek ways to ensure climate justice by working on establishing pathways for speedier climate financing, officials said. Climate financing has been promised by developed nations to help poorer countries curb their emissions and strengthen their resilience towards adverse weather events. But the funds are yet to flow.

"We recognize the issue is a contentious one. Richer nations in the G20 are expected to argue for greater flexibility and a longer timeframe for providing climate funds pointing to economic downturns brought on by the Covid-19 pandemic and the war in Ukraine. But the government will work with all the member nations to find a way forward,” a third official said

Meanwhile, newer issue such as the regulation of cryptocurrency is an ongoing conversation, he said.

Source: business-standard.com- Sep 19, 2022

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This time for Africa: For Indian exporters, a new continent of opportunities as demand wanes in Europe, US

Leading global economies have reciprocated. China is a big investor and aims to overtake the EU as Africa's biggest trade partner by 2030, says a report by the Economic Intelligence Unit. Experts say Beijing continues to deepen its presence across the continent. However, the International Monetary Fund recently pointed out that an economic slowdown in China can reduce the country's financial firepower.

India's footprint

Indian players are also steadily expanding their presence in the continent. Recently, Commerce Minister Piyush Goyal said India is among the top 5 investors in Africa with an investment of $71 billion over the last 25 years. After the Covid outbreak and the Russia-Ukraine conflict started, India has emerged as a key supplier for a range of goods to Africa.

Agri exports — particularly wheat and rice exports — to many African countries made headlines recently. In 2018-19, India became Africa's fourth-largest trading partner. In 2020-21, the bilateral trade reached $89.5 billion.

The exports in 2022-23 (April-June) were worth $15,368 million, rising 45.71% YoY. The upswing in India's shipments to this region hasn't been a recent phenomenon. In 2021-22, these were $33,044 million, a 44.4% YoY growth.

A cursory glance at Indo-Africa trade flow patterns reveals that the segments that are considered low-tech and form the bedrock of industrialising economies remain the highlight of the bilateral trade.

The key areas of India's exports include petroleum and chemical products, electrical equipment, agri equipment, apparel, industrial machinery, automotive components, vehicles, industrial equipment, apparel and clothing, pharmaceuticals, automobiles and automotive components.

According to the Commerce Ministry, the top 4 exports to Africa in 2020-21 were drug formulations, biologicals ($3.6 billion); petroleum products ($3.4 billion); rice (other than basmati $2.6 billion) and motor vehicles/cars ($1.1 billion). India's imports from the continent have also been surging northwards. New Delhi's imports in 2022-23 (April-June), 2021-22 and 2020-21 were $17 billion (44.4% YoY), $41.7 billion (74.9% YoY) and $23.9 billion (-25.7% YoY due to Covid), respectively.

Pockets of growth

Bhansali says the continent's growth engines are distinct but scattered. Nigeria is the leading consuming economy in Africa where one can sell literally "anything". "In West Africa, Nigeria, Senegal and Ghana offer great business; in North Africa, Egypt, Ethiopia and Sudan can be called promising markets. In the east, it is Kenya and Tanzania, and in the south it is South Africa and Zambia," he says, adding that regions with port access offer more ease of business than the continent's landlocked regions. Out of Africa's 55 countries, 16 are landlocked. However, the exporter adds, traders can bet big on exporting household items as growing consumerism and purchasing power is fuelling demand for all types of goods in Africa, and Indian suppliers can cater to these requirements.

According to Tanu M Goyal, Senior Fellow, Indian Council for Research on International Economic Relations (ICRIER), a majority of India's imports from the African Union originate from Nigeria (27.39%), followed by South Africa (17.12%), Angola (9.81%), Ghana (6.44%) and Egypt (5.17%). India's exports are mainly directed at South Africa (13.46%), Nigeria (12.43%), Egypt (8.98%), Mozambique (7.22%), and Kenya (6.53%).

Segments of growth

Besides agriculture, chemicals are a major item of import in Africa because of rising industrialisation. Chemicals form the mainstay of several allied and downstream industries. As their production does not require high-end technology, several Indian manufacturers, particularly MSMEs, are active in the African market. India is shipping more organic and inorganic chemicals and agrochemicals to Africa.

The Chairman of chemical and cosmetics industry body Chemexcil, SG Mokashi, says there is more scope for exports of chemicals to Africa. As the mining industry is growing there, India can also export mining chemicals.

Closely related to chemicals is the pharma sector, which uses the former's produce as raw materials. According to the Brookings Institution, Africa sources over 75% of its pharmaceutical imports from the EU, India and China. India is gaining here. Consider this: Europe got 17.32% of its pharma imports from India in FY21; African markets sourced 16% of their pharma requirements from Indian players.

According to Pharmexcil, India's pharma exports to Africa saw a 21.81% YoY growth in FY21 — at $4.26 billion. Africa is the second largest customer for Indian pharma after North America, says Indian Drug Manufacturers' Association. "The healthcare goals of African nations are very similar to those in India," says Viranchi Shah, President of the association, adding that this has encouraged many companies to have offices or plants in Africa. The leading destinations for the exports are South Africa, Egypt, Morocco, Kenya and Algeria.

Opportunities also exist in engineering. Engineering exports to Africa jumped to a record $8.5 billion in 2021-22, says the Engineering Export Promotion Council (EEPC). It was $6.2-6.4 billion in the previous three financial years.

Boost from growing economies

"As the African continent is moving along the path of economic development, trade prospects are getting brighter with a substantial increase in exports," says Mahesh Desai, Chairman of EEPC.

South Africa is among the top 25 destinations for India's engineering exports. India's engineering export to Sub-Saharan Africa in 2019-20, 2020-21, 2021-22 stood at $6.4, $6.2, and $8.5 billion, respectively, according to the Directorate General of Commercial Intelligence and Statistics. Main product categories include motor vehicles, two- and three-wheelers and industrial machinery (see chart on export of top-10 engineering product groups).

Rohit Saboo, President and CEO of National Engineering Industries Ltd, is of the view that emerging markets in Africa can give promising returns. He says automotive OEMs (original equipment manufacturers) are still in infancy and are limited to South Africa and Morocco. But the aftermarket (market for spare parts, accessories, and components for motor vehicles) remains an attractive proposition. “The vehicle population of 2- and 3-wheelers and commercial vehicles provides an exciting opportunity. There are also several opportunities in industrial machinery’s MRO (maintenance, repair, and operations).”

The Automotive Component Manufacturers Association says the automotive components exports for CY2020, CY2021 and for CY2022 (till June 2022) stood at $748 million, $957 million and $452 million, respectively. There is also scope for maintenance, repairs and operations of rolling mills, cement plants and sugarcane mills.

So, what should be the newer thrust domains India should focus on? Goyal of ICRIER says there has been a sharp increase in the export of staples (food products) and fuel. The food market in Africa experienced high volatility and there is potential for export of staples, particularly to North Africa, which heavily depends on imports. There were also increased exports of diesel and aviation turbine fuel to countries like South Africa, Nigeria and Togo. In the long run, there is a potential for investing in agricultural technology and building digital financial infrastructure in the country.

Unease of doing business

One common issue raised by Indian players is lack of uniformity in business practices across countries despite efforts to make the continent work as a single market.

Rohit Saboo, President & CEO at National Engineering Industries, flags up that the business operations in Kenya and Nigeria, for instance, are in stark contrast with how businesses operate in South Africa. Policymakers have to emulate the European Union model of a common framework for tariffs, duties and overall documentation to help grow exports, says Saboo, adding a framework like a free-trade agreement can stop the inefficiencies and unscrupulous trading.

In many cases, Middle East-based trading hubs manage the distribution network in Africa. A Panipat-based exporter, on the condition of anonymity, says that several Dubai-based trading companies source goods from India and offload these in Africa. In the process, they indulge in under-invoicing to evade taxes and duties.

The regional disparity within the African Union also hurts trade. Experts say for the trade relation to be a win-win for both, India should be able to get access to a unified African market — which is not happening because of the state of infrastructure. There is a need for better connectivity, especially between the capital cities, says ICRIER's Goyal.

There is a language barrier as the official languages change depending on the geography. English is not spoken at all places. This is a challenge to African integration as well. While this was also the case with the EU — which has 24 official languages — English and French are used more often. It is important that market and regulatory information is published and made available in more widely spoken languages, says Goyal.

Currency pangs

Sumit Jain, Managing Director of star export house Kanin Originals, says there are some big issues with currency management. His apparel firm has not been able to trade in Nigeria, Africa's largest economy, for 3-4 months now.

The currency, Naira, is unstable and so very hard to predict. Regulators have not been able to bring down volatility, making it harmful for international trade. "A drastic surge in Naira-USD value upended our all costing and calculations. Some have even gone bankrupt because of these currency issues."

Cargo ship loading containers at the commercial dock in Stone Town, Zanzibar.

Echoing similar views, Bhansali says "parallel" currency markets flourish in many markets. If Naira's bank exchange rate against the USD is 421, he says, the parallel market rate could be above 700.

According to Chemexcil, fake letters of credit (LCs) remain key obstacles. This has led to a trust deficit among trading parties. Most banks don't issue LCs and some institutions cannot be trusted for their LCs, says exporters. Sumit adds currency forward booking remains an alien concept there. Exporters have to work in real-time only. Several Indian exporters reckon the central banks are “not strong enough” to prevent these issues.

The chemical association also flags up that the ports are overburdened and inefficient. Vessels have to wait for months to get into some African ports. Outside the ports, serpentine queues of container lorries stretching up to 10 km are a common sight, says Jain, adding his goods reach the US in 25-30 days but it typically takes 3-4 months to reach a customer in North Africa.

Source: economictimes.indiatimes.com– Sep 20, 2022

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India's exports target of $750 billion in jeopardy, high current account deficit a double-edged sword

Merchandise imports, which grew 40.5% y-o-y during July-August 2022 to $128.2 billion, is expected to come in at $192.2 billion in 2Q FY23, increasing by 30.3% y-o-y as per Ind-Ra.

India's current account deficit (CAD) widened to possibly its highest level in almost a decade in the April-June quarter, as per a Reuters poll. Factors such as soaring global commodity prices and biggest capital outflows since the global financial crisis of 2008 have had a major impact on the trade gap, the poll highlighted.

Moreover, the Indian rupee touching near a record low of around 80 to the US dollar, has only worsened the grim situation.

Findings by other agencies reflect a similar upheaval. Credit rating agency India Ratings and Research (Ind-Ra) expects the CAD to have widened to $28.4 billion (3.4% of GDP) in 1Q FY23, as against a deficit of $13.4 billion (1.5% of GDP) in 4Q FY22. As a share of GDP, this shows a 36-quarter high of 3.4% of GDP in 1Q FY23, the agency said in its latest press release.

Ind-Ra anticipates merchandise imports to remain robust due to elevated global commodity prices and weak rupee. Merchandise exports, on the other hand, are likely to slow down and come in at $104.2 billion in 2Q FY23 due to the global headwinds. This also draws from GDP forecasts of some of India's key exporting destinations such as the US, Eurozone and China that have been revised downwards. "This may put India's exports targets of $750 billion (goods and services) for FY23 in jeopardy. All in all, Ind-Ra expects the merchandise trade deficit to come in at a fresh high of around $87 billion in 2Q FY23," the release stated.

What does this mean for India's economy and exports? Sunil Sinha, Senior Director and Principal Economist, India Ratings and Research says though India's CAD in the range of 2.5%-3% is manageable given the current forex reserves, we need to focus on exports to keep it under control. "This is the challenge right now. Exports did very well in the last fiscal but are showing signs of slowdown.

On the other hand, if our import bill keeps increasing, the trade deficit will widen. Due to global factors, advanced economies are staring at recession. In a way that is windfall gain as our oil import bill will be lower, but it will also mean that we won't be able to ramp up exports. So, it is a double-edged sword for us," he says.

Prices of energy, non-energy and precious metals increased 85.6% y-o-y, 18.3% y-o-y and negative 0.4% y-o-y, respectively, in 1Q FY23. Within non-energy, the prices of items such as fertilisers, base metals, and oils & meals rose 113.6%, 12.3% and 27.2% y-o-y, respectively, in the same period, the Ind-Ra release stated.

Industry experts feel that a more long-term view needs to be taken of this situation. Arun Maira, former member of the Planning Commission and the former India chairman of Boston Consulting Group (BCG) says wanting to be a net exporter like China implies making our own capabilities very strong. "We are importing a lot of things. We can look at building capabilities in industrial goods. One must strive to have all resources in the country as it helps to serve other purposes, increase employment as well as demand. People will learn better and India will become a more attractive investment," he explains.

Maira does admit that in certain areas, there is no option other than to import. "For instance, petroleum products, chemical processing industry which require petroleum feedstock. But we can reduce imports in areas where capabilities can be substituted.

Hydrocarbons, for example, also goes to generate power and transport equipment. In Europe, suddenly gas prices and petroleum prices have gone up. Look at what is going on in their economies on the energy side. One must take bigger structural steps and have sources of energy that are not dependent on hydrocarbons. In transport equipment, look at alternate forms of combustion and propulsion," he states.

Merchandise imports, which grew 40.5% y-o-y during July-August 2022 to $128.2 billion, is expected to come in at $192.2 billion in 2Q FY23, increasing by 30.3% y-o-y as per Ind-Ra.

Ajay Sahai, DG & CEO, Federation of Indian Export Organisations (FIEO) says that atleast 2/3rds import in commodities like petroleum, fertiliser and edible oil is essential for the economy. "The elbow room is to reduce

1/3rd of the import. The long-term roadmap should be to look at compressing imports. The government has also asked states to reduce imports and for that, competitive manufacturing would be necessary. The National Logistics Policy (NLP) is a step in the right direction and will help improve efficiencies," he says.

Explaining how services exports may help to offset the headwinds visible in merchandise trade, Sahai adds that they can offer the necessary cushion both on trade deficit and current account deficit. "With economies opening up, we expect that the travel & tourism and aviation industry would help us to increase our services exports significantly besides other sectors," he states.

Source: economictimes.indiatimes.com– Sep 20, 2022

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'Sri Lanka keen to upgrade FTA with India with focus on textiles, auto parts, IT services'

Without India we wouldn't have lasted this long, says Sri Lankan High Commissioner

Sri Lanka is keen to upgrade the existing free trade agreement with India to gain greater market access for goods such as textiles and automobiles parts and include services, particularly IT/ITES, said Sri Lankan High Commissioner to India, Milinda Moragoda.

As the Sri Lankan economy is preparing to move from stablisation to the revival stage, the country is looking at India for support through greater investments, trade and flow of tourists, said Maragoda at an interaction with the media, organised by the Indian Women's Press Corps on Monday.

"We are grateful for the support provided by India to Sri Lanka so far. In the stabilisation phase, without India we would not have been able to last this long. In the revival phase, we are looking at more market access and investment from India," said Moragoda, adding that the quickest way for the economy to bounce back would be through tourism.

Sri Lanka is going through its worst economic crisis with the government blaming the Covid pandemic, which badly affected Sri Lanka's tourist trade, for battering its foreign exchange reserves. The country is expected to make a presentation to its international creditors this week giving details of plans for its debt restructuring and the multibillion-dollar IMF bailout.

Answering questions, the Sri Lanka High Commissioner said that India had not rejected any requests for additional credit made by his country and talks were on. India has committed more than $3 billion in loans, credit lines and credit swaps to Sri Lanka so far.

On the India-Sri Lanka FTA, Moragoda pointed out that his country's President had recently expressed interest in upgradation of the FTA into a comprehensive economic and technological partnership and work was starting in the direction.

"We want to be part of India's value chain in areas such as textiles and automobiles," he said adding that the upgraded FTA could help in achieving that.

Moragoda pointed out that there was already a lot of collaboration happening in the area of IT with Indian majors such as HCL, Tata and Infosys expressing interest.

Source: thehindubusinessline.com– Sep 19, 2022

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India's economic activity rebounds in Aug after subdued Jul show: ICRA

India's economic activity rebounded in August this year after the subdued performance in July, according to ICRA Research. The year-on-year (YoY) growth in the ICRA business activity monitor, an index of high frequency economic indicators, rose to 11.4 per cent in August from 10.9 per cent in the previous month, with an improvement in the performance of nine of the 16 indicators.

The index rebounded to 114.1 in August after having declined to the five-month low of 113.5 in July.

Encouragingly, the index in August was a robust 16.6 per cent higher than the pre-COVID levels—the highest in fiscal 2022-23 so far. This was also the widest expansion since the pandemic started, with as many as 11 indicators reporting volumes above their pre-COVID levels.

The month-on-month (MoM) trend also improved in August this year relative to 2019, indicating widening of the economic momentum amid some moderation in rainfall, easing of supply-side issues and pre-festive accumulation of inventories.

ICRA is cautiously optimistic that the pre-festive stocking implied by the record-high generation of goods and services tax (GST) e-way bills in August is an indication of a revival in confidence and imminent improvement in demand for goods. This, in conjunction with the favourable impact of the softening commodity prices, is a positive development ahead of the festive season, ICRA said in a note.

While a normalising base will moderate the YoY expansion, gross domestic product (GDP) growth is expected to rise to 8 per cent in Q2 FY23 from 3.8 per cent in Q1 FY23, when compared to the pre-COVID levels of 2019, which is a more tangible signal of the ongoing, yet uneven recovery.

YoY GDP growth is likely to moderate to 6.5-7 per cent in the second quarter of this fiscal on normalising base.

The ongoing decline in global commodity prices offers some relief for business margins, and the sustained recovery in services demand and signs of inventory build-up prior to the festive season are encouraging, ICRA noted.

Source: fibre2fashion.com– Sep 19, 2022

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SBI asks exporters to trade with Bangladesh in rupee, taka

Top lender State Bank of India has asked exporters to avoid settling deals with Bangladesh in the dollar and other major currencies as it looks to curb exposure to Dhaka's falling reserves, according to an internal document and a source.

Bangladesh's $416-billion economy is battling rising prices of energy and food as the Russia-Ukraine conflict widens its current account deficit, and dwindling foreign exchange forces it to turn to global lenders such as the International Monetary Fund (IMF).

"The country is facing a shortage of foreign currency due to higher import bills and weaknesses of Bangladeshi taka against dollar in recent times," the SBI said in an Aug. 24 letter sent to its branches and seen by Reuters. The letter and its contents have not previously been reported.

The SBI did not immediately respond to an e-mail seeking comment.

The decision not to increase exposure to the dollar and other foreign currencies in relation to Bangladesh stemmed from the current economic situation and the neighbouring nation's shortage of foreign currency, the bank said in its circular.

"However exposure in Indian rupee (INR) and taka will continue," it added.

Bangladesh's foreign exchange reserves declined to $37 billion by Friday from $48 billion a year earlier, according to data from the central bank, which provides import cover of just five months.

Finance ministry officials have said Bangladesh is seeking a $4.5 billion loan from the IMF, in excess of its maximum entitlement of $1 billion under the IMF Resilience and Sustainability Trust.

A source familiar with the matter said SBI did not want to increase its exposure to Bangladesh. "We have an approximate exposure of $500 million to Bangladesh and have taken the decision not to grow it further aggressively, and maybe, even reduce it as needed, with the news surrounding the economy," added the source, who spoke on condition of anonymity.

Bangladesh is just one of India's neighbours in financial distress.

The island nation of Sri Lanka is grappling with a financial crisis as its central bank reserves stand at just $1.7 billion at a time of galloping inflation and severe shortages of food and fuel that sparked protests and a change of government.

And Pakistan's central bank reserves of $8.6 billion are sufficient for just about a month of imports.

TRADE IN LOCAL CURRENCY

Bangladesh wants to cut dependency on the dollar, commerce minister Tipu Munshi said last week, and it does not see a problem in dealing in local currencies.

Speaking at an event in Dhaka, he was responding to a query on the growing focus on local currency trade, and added that the finance ministry was looking at ways to do this.

However, the Bangladesh central bank's executive director, Serajul Islam, told Reuters, "No such decision has been taken yet," in reference to trade in local currencies with India.

Last week, the Bangladesh central bank freed up banks to do transactions in Chinese yuan, so as to enable trade with China.

Last month, rating agency Standard & Poors affirmed its stable outlook rating for Bangladesh, saying it expected its external position to stabilise within a year.

However, the agency said it might lower the ratings on Bangladesh if net external debt or financing metrics worsen further as higher commodity prices and strong imports could add to weakening in the taka and drain foreign exchange reserves.

"Despite its moderate net debt position, the Bangladesh government's interest burden is considerable," the agency added.

"Its foreign currency-denominated debt, though predominantly borrowed from multilateral and bilateral sources, is subject to exchange rate risk."

An Indian textile exporter, who asked not to be identified, said banks and importers in Bangladesh were not willing to trade in rupees, however, and preferred the taka currency instead.

Also, India has not yet clarified if exports denominated in rupees will receive the same benefits as those in dollars, he said.

"SBI's circular is very alarming, as they have said not to take exposure on Bangladesh exports," the exporter added.

"Bangladesh is a major trading partner and if a premier bank like SBI does not take exposure, how will the trade grow? It is going to go down."

India's exports to Bangladesh rose 17.5% to $4.94 billion in the period from April to July, or the first four months of the fiscal year to March 31, 2023, while imports were up about 11% at $580.7 million, government data showed.

Source: livemint.com– Sep 19, 2022

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GST Council meet may be postponed to October

The Goods & Services Tax (GST) Council may meet in October instead of September, as the group of ministers (GoM) on casinos, race courses & online gaming, as well as the panel on the GST Appellate Tribunal (GSTAT), are yet to submit their reports, sources told FE.

With no unanimity about taxing at the rate of 28% on the full value of the consideration, without making a distinction between games of skill or chance, the GoM led by Meghalaya chief minister Conrad Sangma has sought legal opinion on whether or not the prize money in online gaming and horse racing is covered within “actionable claim”.

The report has not been submitted so far, even though the GoM was planning to do so by September 16. It will likely be submitted after another meeting of the GoM to include a legal view on the matter later this month, sources said.

In the last GoM meeting on September 5, West Bengal and Uttar Pradesh had supported goods and services tax (GST) on online gaming, horse racing and casinos at a uniform rate of 28% on the full value of the consideration, without making a distinction between games of skill or chance.

The GoM, in its first report, has recommended that in the case of online gaming, the activities should be taxed at 28% on the full value of the consideration, by whatever name such consideration may be called, including contest entry fee, paid by the player for participation in such games. Since GST is levied on online skill-based gaming at 18% currently on the platform fee (about 20% of the contest entry fee), the tax incidence on the gaming industry will rise.

In the case of racecourses, the GoM had earlier said that GST should continue to be levied at the rate of 28% on the full value of bets pooled in the totalisator and placed with the bookmakers. In the case of casinos, GST was to be applied at the rate of 28% on the full face value of the chips/coins purchased from the casino by a player. In the case of casinos, once GST is levied on the purchase of chips/coins (on face value), no further GST was to apply to the value of bets placed in each round of betting, including those played with winnings of previous rounds, the GoM had said in its first report.

On August 18, the GoM on tribunals convened by Haryana deputy chief minister Dushyant Chautala finalised that the GST Appellate Tribunal (GSTAT) be set up with a principal bench in New Delhi and similar benches at various other locations. However, it is yet to submit the report to the council.

According to sources, each of these regional benches will consist of a judicial officer equivalent to a high court judge and a senior tax officer, from either the Centre or the state, as a technical member. A state can host a maximum of five benches and the state governments would be given certain relaxation on the nomination of technical members.

Source: financialexpress.com– Sep 20, 2022

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Currency internationalisation: India pushes for rupee trade with Cuba

The Centre is pushing for bilateral trade with Cuba and its settlement in rupee as a part of its strategy to internationalise the domestic currency.

A delegation from Cuba, including officials from its central bank, met Indian government officials and banks last month to discuss bilateral trade and settlement using the Reserve Bank of India's (RBI's) payment mechanism in rupee, said people aware of the matter.

Since the Cuban nation has opened up its economy and is looking to implement reforms to attract investments from India, Cuban banks have evinced interest in opening special rupee vostro accounts (SRVAs) with Indian banks.

The move is an effort by the Centre to lay the groundwork for the central bank's new framework for trade settlement in rupee, pushing for the local currency's internationalisation.

The meeting was held on the directions of the Department of Financial Services under the Ministry of Finance, said an official.

In July, the RBI had unveiled a mechanism to settle international transactions in rupee to promote the growth of global trade, with emphasis on exports from India. More importantly, the move is a recognition of the Indian rupee as an international currency.

According to the mechanism finalised by the RBI, banks of partner countries can approach authorised dealer (AD) banks in India for opening SRVAs. The AD bank will then have to seek approval from the central bank with details of such an arrangement.

The official cited earlier said that the Cuban delegation that had visited India last month had informed India that the country has implemented several reforms that could be explored by Indian companies as well as banks to give trade ties and the bilateral payment mechanism a leg-up.

Although India's relations with the Caribbean nation have traditionally been 'warm and friendly', the bilateral trade between the two nations has been limited. The total trade between both countries stood at $27.57

million, which is negligible compared to India's total trade of over $1 trillion during 2021-22.

India exported goods worth $26.57 million during the last fiscal year, while imports were to the tune of $1 million only. The main items of Indian export to Cuba are pharmaceutical (pharma) products, organic chemicals, plastic products, medical equipment, textiles, metals, and mineral oil products. On the other hand, India imported mainly pharma and tobacco products.

Trade experts said one of the reasons for Cuba being interested in rupee trade could be a shortage of foreign exchange. Therefore, dealing in local currency could be a good way to push trade. Besides, the country is set to host an international fair in November to attract investment.

While the rupee trade mechanism is yet to be implemented on the ground by banks, public sector banks like State Bank of India, among others, have already started working to make the RBI's latest mechanism operational.

Earlier this month, the Centre, along with the RBI, prepared an action plan for facilitation of special rupee accounts for trade settlements, which included nudging banks and the Indian Banks' Association to reach out to foreign banks for opening such vostro accounts. Banks have also been asked to process over 115 proposals at the earliest.

Source: business-standard.com– Sep 19, 2022

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GeM helps local businesses and SMEs capture the national market

“My volume of business has increased ever since I have registered in GeM since 2017. Earlier, I could supply items only in the vicinity of my shop in Fort area and only within Mumbai. Now, I ship my products all over the country! I have tied up with India Post and three private courier service providers who pick up items from my shop and deliver in due time”, says Hitesh Patel, Proprietor of Milan Stationers and Printers, a firm registered with GeM.

Umesh Nai, Manager of Joseph Leslie Dynamics Manufacturing Pvt. Ltd – a fire safety equipment provider said that they got a total of 30 crore orders through GeM so far! “GeM has drastically reduced cost of doing business, especially in reducing need for travel in meeting prospective buyers. We are an MSME company and hence we get benefits for MSME vendors as provided by the portal. GeM is a very good platform, highly beneficial for a small company like ours”.

Ketan Choudhary, who represents MSME firm Omkar Enterprise stated that GeM has helped their business to grow. They registered with GeM in the year 2020 and started selling printers and toners. Now, they are selling computers and laptops also! “GeM helps small businesses like ours to grow”, he commented.

A number of Government e-Marketplace vendors shared their experiences in GeM Seller Samvad held in Mumbai today. This gave an opportunity to the GeM sellers to learn about the new GeM features and functionalities that further makes it conducive for them to operate on the portal. GeM’s Business Facilitator for Maharashtra and Daman and Diu Nikhil Patil informed that the GeM portal is not only limited to Central Government offices.

It provides a one-stop online procurement portal for all Government Buyers including Central/State Ministries, Departments, Bodies & PSUs. All states (except Sikkim) have entered into a MoU with GeM, thereby facilitating businesses from all around the country to do business with Government departments located all over India, even in remote corners. Maharashtra state entered into agreement with GeM in March, 2018, informed Nikhil Patil.

In his presentation, Shri Patil highlighted the advantages for SMEs for doing business in the GeM portal. MSEs, especially sole proprietors on GeM can now get a loan at the point of acceptance of an order on the GeM platform. Approximately 2,000 minor and 460+ major functionalities have been introduced on GeM, in the last 24 months for increasing ease of doing business.

The Seller Samvad was also attended by Nishant Deengawal, Director - States and Union Territories (GeM) and Nodal Officer of GeM in Maharashtra. Deputy Director of Press Information Bureau, Mumbai Regional Office, Dheep Joy Mampilly was also present on the occasion.

About Government e Marketplace (GeM):

Government e Marketplace (GeM), the National Public Procurement Portal of the country is an end-to-end online Marketplace for the procurement of goods and services. It was launched on August 9, 2016, as part of the vision of the Hon'ble Prime Minister Shri Narendra Modi for redefining public procurement.

GeM has been able to bring about radical changes in the way procurement was done by Government buyers and public sector undertakings. GeM is contactless, paperless, and cashless and stands on three pillars: efficiency, transparency, and inclusivity.

It is noteworthy that GeM has surpassed the milestone of INR 1 Lakh Crore of procurement value, in a single fiscal year in FY 21-22. Since its inception, GeM has facilitated over 1 Crore transactions valued at over INR 3.02 Lakh Crore. This has only been possible with the support of all stakeholders including buyers and sellers across the country.

Click here for more details

Source: pib.gov.in– Sep 19, 2022

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Logistics redefined

Fixing its domestic logistics has always been an imperative for India—more so now, given that the country aims to become a key player in the global supply chain. India's logistics costs, at 13% of its gross domestic product, may be comparable with China's, but is quite high compared to developed economies such as the US, South Korea, Singapore, and EU member-nations (7-10%).

India saw its score slide on the World Bank's Logistics Performance Index (LPI) in 2018 from the peak reached in 2016. It clocked a sharper gap with China on infrastructure than on competence and quality of logistics services, which underlines the immense potential for a surge in competitiveness if infrastructure is fixed.

While there has been significant infrastructure addition in the country since the 2018 LPI, the PM Gati Shakti National Master Plan for multi-modal connectivity for various economic zones is expected to meet a large portion of India's infrastructure needs.

But, logistics covers more than just transport, and there is significant scope to improve efficiency across segments—be it warehousing, order processing, inventory, etc. To that end, last week's announcement of the National Logistics Policy should offer a major boost to India's logistics competitiveness, if implemented in right earnest and in robust partnership with states.

The policy seeks to bring logistics costs, as a percentage of the GDP, to a single-digit figure, which could give India's exports a huge fillip. The focus, among other things, will be on digitalisation and timeliness. Against this backdrop, the proposal to have a Unified Logistics Interface Platform (ULIP) that would bring together 30 logistics digital systems across ministries and departments will help break data and governance silos that are a drag on timely service delivery and the overall efficiency of the sector.

For perspective, there are over 20 government agencies that are part of the sector's governance, and a requirement of some 500 certifications. ULIP is expected to aid all stakeholders in the logistics chain to improve service delivery.

For instance, transport service providers can get linked to demand much faster, reducing idling of capacity and pushing up cost-efficiencies in the process.

Accountability will be facilitated by the Ease of Logistics (e-LogS), a digital dashboard for registering, coordinating and monitoring time-bound resolution of problems as they crop up. The NLP also talks of sector-specific logistics plan and setting standards for logistics infrastructure. For instance, a handbook of benchmarks has already been compiled for the warehousing segment to bring it closer to meeting global best practices.

With the many positives, it remains to be seen how the NLP complements the various infrastructure programmes that the government has undertaken, especially in the transportation segment—the dominant mode of cargo transportation. The roads sector has seen much capacity addition but questions remain on adequacy, quality, and safety, among others.

Additionally, the sector will continue to have a much heavier carbon footprint than other modes of transport, and given the net zero goal, the reliance needs to shift largely to railways, which remains hamstrung by its own set of issues, including capacity and infrastructure enhancement and cost-competitiveness.

Fostering real partnerships with and among states will be key. Common ambitions and action-points under the NLP and state logistics plans need to be identified and efforts streamlined. Bringing logistics costs down to 8% by 2030 and improving LPI performance to rank among the top-25 will need states to play ball.

Source: financialexpress.com– Sep 20, 2022

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Blended yarn hurting textile biz rue powerloom owners

Kolhapur: The mixing of synthetic or semi-synthetic fibre with cotton to make yarn is hurting the business of the powerloom owners from the textile town of Ichalkaranji. The fibres are spun into yarn, which is then converted into garment and then sold to the dress makers. The cotton yarn should be solely made from cotton fibre. The mixing of the other types of fibres deteriorates the quality of the garment made.

Powerloom Owners' Association members on Monday met the Merchant's Association and requested the office-bearers to warn the suppliers not to blend the cotton and synthetic fibres to make the yarn. They also demanded that if the traders want to supply such blended yarn then it must be mentioned on the packaging along with the proportion of the synthetic fibre used in the yarn.

Vinay Mahajan, president of the Powerloom Owners' Association, said, "We are losing the business due to such mixing. The mixed yarn does not produce good quality garment. The dyeing process gets difficult and can be easily found by anyone buying it as the colour used for cotton yarn fades for the synthetic yarns. The mixing of synthetic fibre with cotton fibre without the yarn buyer's knowledge invites criminal action against the suppliers."

Every day, around 150-200 truck load of yarn is supplied to the powerlooms from Ichalkaranji. Most of the yarn is brought from Andhra Pradesh and Tamil Nadu's spinning mills. "The spinning mill owners are resorting to such blending because the price of cotton has shot up to Rs 84,000 per 165 kg package.

The price was half just a few months ago. The synthetic fibre produced using chemicals is cheaper and the powerloom owners cannot easily find the mixing until it is sold further to dyers for colouring the garment. Many dyers have returned the garment after dyeing which is of no use to us," said Mahajan.

Source: timesofindia.com– Sep 20, 2022

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Indo Count ties with global brand 'GAIAM' in home textiles

Indo Count Limited has announced its new partnership with the GAIAM brand, owned by Galaxy Universal. GAIAM – an industry-leading yoga, health & wellness brand to launch an exclusive Home Textiles Collection. The GAIAM home collection will feature an extensive range of bedding and bath solutions that will help consumers restore, relax and enjoy a good night's sleep.

The GAIAM home collection will be featured at the 2022 September Home Textiles Market Week in Indo Count's 5th Avenue showroom located in New York City (September 19 - 22) and will launch in-store and online in the US, Canada, and Mexico with retail partners in next Spring 2023.

KK Lalpuria, Indo Count's Executive Director, and CEO said, "This is our first comprehensive lifestyle partnership in North America, and GAIAM is uniquely positioned to reach consumers who know and love the brand and that are seeking to achieve balance in their lives through the restorative power of a better night's sleep."

He continued, "We've been searching for the right brand partner to build innovative, value-add products and we will deliver on the GAIAM brand promise to make wellness accessible to all. We are thrilled to be working with GAIAM - who enjoys such impressive reach - and look forward to building a GAIAM home collection of health & wellness products that are so timely and relevant in today's market."

Source: indiainfoline.com– Sep 19, 2022

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