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IBTEX No. 191 of 2022 October 06, 2022

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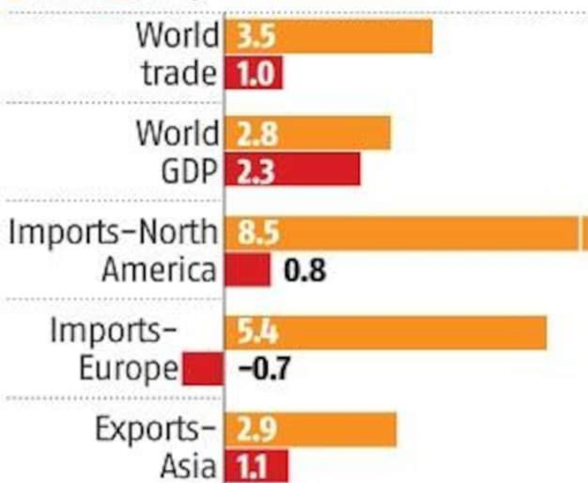
INTERNATIONAL NEWS

WTO slashes global 2023 trade growth forecast to 1% as recession looms

India's merchandise exports could face major headwinds next year with the World Trade Organization (WTO) slashing its forecast for global trade volume growth to 1 per cent from 3.4 per cent estimated earlier, citing increasing downside risks.



The Geneva-based multilateral body said on Wednesday that world trade may lose momentum in the second half of 2022 and remain subdued in 2023 as multiple shocks weigh on the global economy.

"If the current forecast is realised, trade growth will slow sharply but remain positive in 2023. It should be noted that there is a high degree of uncertainty associated with the forecast due to shifting monetary policy in advanced economies and the unpredictable nature of the Russia-Ukraine war," it added.

However, the WTO revised upward its merchandise trade growth forecast for 2022, to 3.5 per cent from its April estimate of 3 per cent.

WTO Director-General Ngozi Okonjo-Iweala said the outlook for the global economy had darkened considerably, causing a lot of worry. "All the risks (are) on the downside. Looking ahead, a better response to the supply chain vulnerabilities exposed by the past two years is to build a more diversified, less concentrated base for producing goods and services," she said.

According to the fresh WTO forecasts, world GDP at market exchange rates will grow by 2.8 per cent in 2022 and 2.3 per cent in 2023 — the latter is 1 percentage point lower than what was previously projected.

The WTO said risks to the forecast were numerous and inter-related. “Major central banks are already raising interest rates in a bid to tame inflation but overshooting on tightening could trigger recession in some countries, which would weigh on imports.

High interest rates in advanced economies could trigger capital flight from emerging economies, unsettling global financial flows. Escalation of the Russia-Ukraine war could also undermine business and consumer confidence and destabilise the global economy,” it said. An underappreciated risk, the WTO said, would be the decoupling of major economies from global supply chains.

“This would exacerbate supply shortages in the near term and reduce productivity over the longer term.” If the downside risks materialise, trade growth in 2023 could be as low as -2.8 per cent. “If the surprises are on the upside, however, trade growth next year could be as high as 4.6 per cent. Trade could also finish outside of these bounds if any of the underlying assumptions change,” it added.

India’s merchandise exports contracted in September for the first time in 19 months, by 3.5 per cent. Disaggregated data available till August showed that among India’s major export destinations, shipments to China, Bangladesh, Hong Kong, Italy and Japan shrank both in July and August, while exports to the UK, Germany, and Saudi Arabia started shrinking in August. The commerce ministry postponed the unveiling of the much-awaited foreign trade policy last week and extended the existing policy by another six months, citing ongoing global headwinds.

The multilateral trade body said import demand is expected to soften as growth slows in major economies for different reasons. “In Europe, high energy prices stemming from the Russia-Ukraine war will squeeze household spending and raise manufacturing costs. In the United States, monetary policy tightening will hit interest-sensitive spending in areas such as housing, motor vehicles and fixed investment. China continues to grapple with Covid-19 outbreaks and production disruptions paired with weak external demand,” it added.

Source: business-standard.com- Oct 05, 2022

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Investment key to fibre-to-fibre recycling

New research suggests that 23% of low value post-consumer textiles collected in Europe has the potential for fibre-to-fibre recycling but this would require major investment and a suite of policy and industry changes.

The Sorting for Circularity Europe project conducted analysis in Belgium, Germany, the Netherlands, Poland, Spain, and the United Kingdom in what is said to be the most comprehensive and representative snapshot of the composition of post-consumer textiles (PCT) generated in the region. Using near-infrared technology to determine composition, researchers analysed a total of 21 tonnes of post-consumer garments.

Of the 2 116 000 tones of PCT collected each year in the six countries, 494 000 tonnes was considered suitable for recycling and fitting the current specifications of mechanical and chemical recyclers. This means that 23% has the potential to be redirected to fibre-to-fibre recycling, whereas the current total is just 2%. A major hurdle identified by the research is that feedstock prices for current destinations (such as wipers) are more economically viable than those offered for fibre-to-fibre recycling.

'However, this might change as current recycling technologies are scaled and further investment is made in order to integrate operations related to automated sorting and removal of disruptors to the sorting process,' the report says. 'Overall, a sound business case is required in order to retain sorting capacity in Europe.'

The report notes: 'To support the retention and further development of this sorting capacity in Europe, policy and upcoming legislation will play a key role in ensuring the environmental, social and financial sustainability of these stages of the clothing and textiles value chain.'

Sorting for Circularity Europe is backed by Fashion for Good, an industry umbrella organisation supported by founding partner Laudes Foundation, co-founder William McDonough and a host of corporate partners including Adidas, Chanel, Levi Strauss and Patagonia.

Source: recyclinginternational.com- Oct 05, 2022

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Italian economy performs remarkably well in H1 2022: Govt

Despite global geopolitical tensions and extraordinary rises in energy prices, the Italian economy performed remarkably well in the first half (H1) this year, according to the country's ministry of economics and finance (MEF), which recently said rise in inflation and interest rates, lingering geopolitical risks and the global economic slowdown point to a moderate downturn in the cycle in the second half.

A robust 1.1 per cent quarter-on-quarter (QoQ) increase in gross domestic product (GDP) in the second quarter has led to a growth forecast for 2022 at 3.5 per cent, which is higher than the forecast of 3.1 per cent made by the treasury's annual economic and financial document (DEF).

GDP is expected to grow in 2023 as well, at 0.6 per cent, albeit less than the DEF forecast of 2.4 per cent.

As a result of the macroeconomic implications of the Russian-Ukrainian conflict, export growth, while significant (2.5 per cent QoQ; 12.3 per cent year on year), was lower than import growth, with net foreign demand contributing negatively to GDP growth.

While exports of services accelerated, exports of goods slowed down due to rising costs and prices.

The second half of the year points to a deceleration in activity, which is part of an overall weakening of global and European cyclical indicators impacted by the uncertainty surrounding the war in Ukraine and trends in the price of natural gas, MEF said in a note.

In this context, industrial production, after the contractions of May and June, recorded a surprising rebound in July (0.4 per cent MoM), which was accompanied by a new drop in construction production, the value of which, however, remained at historically high levels.

Significant growth was witnessed in retail sales volume. After rising in the spring months, the confidence of Italian companies fell again in July and August.

Inflationary pressures remained high and persistent. Although the persistence of higher energy commodity prices could lead to a more sustained increase in core inflation, given current energy futures prices, the inflation rate is expected to start falling by year-end.

The surge in energy prices has also affected the trade balance. After years of high surpluses, the current account balance has moved into deficit in recent months, although the performance of the non-energy trade balance has remained positive overall, MEF added.

Source: fibre2fashion.com - Oct 04, 2022

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China's ports handled 194.4 mn TEUs from Jan-Aug 2022

Container throughput at Chinese ports increased by 4.1 per cent year-on-year to 194.4 million twenty-foot equivalent units (TEUs) in the first eight months of 2022, as per data from the ministry of transport.

Almost 10.25 billion tonnes of cargo throughput were handled at China's ports — a 0.1 per cent drop compared to the corresponding period in 2021, the data revealed.

The growth momentum of container throughput continued on a positive note as the number of containers managed at ports in China from January to July 2022 rose by 4.2 per cent year-on-year.

Source: fibre2fashion.com - Oct 01, 2022

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Bangladesh: DCCI President requests Turkey to relax tariffs on RMG, ceramic items

Dhaka Chamber of Commerce and Industry (DCCI) President Rizwan Rahman requested Turkey to relax tariffs on RMG and ceramic products for Bangladesh's export growth.

The DCCI President made the request when he met Turkish Minister for Trade Dr. Mehmut MUS at his Ministry in Ankara on October 2, said a press release today.

Bangladeshi ceramic products do not get duty-free and quota-free access to Turkish market rather 19 percent tariff is imposed on this product. Turkey added an extra 17 percent tariff for Bangladeshi RMG products.

During the meeting, Rizwan said that the bilateral trade between Bangladesh and Turkey is around $900 million which is not satisfactory at all.

The existing bilateral trade can be enhanced to over $2 billion through more trade diversification. He also said that the progress in public-private and B2B partnership between the two countries remain low.

Rizwan said that Turkish investors can consider Bangladesh's 100 economic zones and 28 high-tech parks as their preferred investment destination.

He also requested the minister to extend the current duty-free and quota-free tariff line facility to Bangladesh which is now 79.9 percent for trade growth.

Moreover, Joint Economic Commission meetings should be held regularly to arrange effective joint exhibitions and seminars on bilateral economic issues and address trade issues. Furthermore, Bangladesh and Turkey can work and advocate together to form an effective D-8 economic bloc.

Turkish Minister for Trade Dr. Mehmut MUS agreed that the bilateral trade between these two countries is not up to the expected level.

Terming Bangladesh as an attractive investment destination, he said both the countries should work together to enhance this trade volume.

Mehmut said that few Turkish companies are already doing their business in Bangladesh and they are doing very well. "And this success will be an example for others to invest in Bangladesh."

Ambassador of Bangladesh in Ankara Mosud Mannan was also present at the meeting.

Source: tbsnews.net - Oct 04, 2022

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Pakistan must expand trade with ICCIA members

Federation of Pakistan Chambers of Commerce and Industry (FPCCI) said there was need to expand trade with the Islamic Chamber of Commerce, Industry & Agriculture (ICCIA) that represents a collective GDP of $7 trillion.

FPCCI President Irfan Iqbal Sheikh on Wednesday explained that the 57 member countries of ICCIA have huge demand for Pakistani products. He identified textiles; leather goods; rice, fruits and vegetables; IT services; and skilled and semi-skilled workforce having high demand in the ICCIA member countries. “We should capitalise on the opportunities to bridge our trade deficit of up to $4 billion / month, which is no more sustainable; exponentially increase remittances from Islamic countries, build foreign exchange reserves (FER) and, above-all, curtail current account deficit (CAD) decisively – which clocked at $17.4 billion in FY22,” he said.

ICCIA Secretary General Yousef Hasan Khalawi has visited FPCCI along with the senior members of the team, where he discussed the avenues to enhance and broaden trade promotion activities with Pakistan from the platform of FPCCI.

Khalawi said that he was looking forward to the participation of Pakistani business, industry and trade community in trade exhibitions and networking sessions in Makkah and Madina being organised by the ICCIA.

“We will also be expecting Pakistani delegations in Muslim Business Leaders’ summit in Malaysia and Sustainable Agriculture Forum in Azerbaijan,” he added.

FPCCI Senior Vice President Suleman Chawla said that being a country of 220 million people and an active member of ICCIA, representatives or nominees of FPCCI should be included in all major councils and committees of the Islamic chamber.

Pakistan holds enormous potential for new industries and joint ventures, and also has historically played a proactive role in the development and transformation of ICCIA, he added.

Former president of FPCCI, Mian Nasser Hyatt Maggo said that Pakistan should be given preference in ICCIA's IT, energy, food / agriculture, tourism, green economy and youth / skills development related activities and events.

He acknowledged that the "Best of Entrepreneurship Series" in Pakistan with collaboration of the Islamic Chamber has been highly successful. Three programmes have been conducted so far in 2022 and another one would be held in Pakistan in 2022.

He said the series would likely continues in 2023 and beyond, incorporating all major cities of the country.

Source: thenews.com.pk- Oct 06, 2022

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NATIONAL NEWS

India's economy to grow 5.7% in 2022, 4.7% in 2023: UNCTAD

The United Nations Conference on Trade and Development (UNCTAD) expects India's economy to grow 5.7% in 2022 and 4.7% in 2023. India's gross domestic product (GDP) grew 8.7% in FY22.

In its annual Trade and Development Report 2022 released on Monday, it said that world economy is expected to grow 2.6% in 2022 which is 0.9 percentage points below the rate projected in last year's report. It cautioned that prospects appear to be worsening, with growth expected to decelerate further next year to 2.2%, leaving real GDP below its pre-Covid-19 trend by the end of 2023.

"India, the largest economy of the region, economic activity is being hampered by higher financing costs and weaker public expenditures, resulting in a deceleration in GDP growth to 5.7% in 2022," UNCTAD said.

The Geneva-based body said that going forward, the government has announced plans to increase capital expenditure, especially in the rail and road sector but in a weakening global economy, policymakers will be under pressure to reduce fiscal imbalances, and this may lead to falling expenditures elsewhere.

"Under these conditions, economic growth is expected to drop by one percentage point to 4.7% in 2023," it said.

While the Asian region has exhibited relatively dynamic growth rates over the last decade, it's by no means immune to these deteriorating global conditions, according to UNCTAD.

Inflation, interest rates

The Trade and Development Report 2022 warned that rapid interest rate increases and fiscal tightening in advanced economies combined with the cascading crises resulting from the Covid pandemic and the war in Ukraine have already turned a global slowdown into a downturn with the desired soft landing looking unlikely.

"Monetary and fiscal policy moves in advanced economies risk pushing the world towards global recession and prolonged stagnation, inflicting worse damage than the financial crisis in 2008 and the Covid-19 shock in 2020," it said.

In a decade of ultra-low interest rates, central banks consistently fell short of inflation targets and failed to generate healthier economic growth. Any belief that they will be able to bring down prices by relying on higher interest rates without generating a recession is, the report suggests, an imprudent gamble.

At a time of falling real wages, fiscal tightening, financial turbulence and insufficient multilateral support and coordination, excessive monetary tightening could usher in a period of stagnation and economic instability for many developing countries and some developed ones, UNCTAD said.

Source: economictimes.indiatimes.com- Oct 03, 2022

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Commerce and Industry Minister Piyush Goyal to meet export promotion councils on October 7

Commerce and Industry Minister Piyush Goyal will meet different export promotion councils on October 7 to discuss ways to promote the growth rate in the country's outbound shipments, an official said.

The meeting assumes significance as India's exports contracted by 3.52 per cent to USD 32.62 billion in September against USD 33.81 billion in the same month last year, while the trade deficit widened to USD 26.72 billion during the last month.

Representatives from export bodies, including the Federation of Indian Export Organisations, Apparel Export Promotion Council and Council for Leather Exports, would participate in the meeting, the official said.

According to an export council, issues which would figure in the meeting include export credit refinance facility, increase in interest subsidy rates, removal of GST (Goods and Services Tax) on exports freight, exports benefits for rupee shipments to Russia and other countries, and removal of exports duty on some products.

Exporters have urged the government to continue with the GST exemption on export freight.

"This is a serious issue for us. We are already facing global headwinds and high inflationary pressure. The GST exemption is more crucial in the current scenario as container rates are already very high," an exporter said, adding that airfreight is already very high in comparison to sea freight.

The exemption from GST on export freight was introduced in 2018. It ended on September 30. It was extended twice. Exporters now have to pay 18 per cent GST on export ocean freight for which they can claim a refund.

Source: economictimes.indiatimes.com- Oct 04, 2022

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CBIC proposes mechanism to check undervaluation of imported goods

To curb undervaluation of imported items, the Central Board of Indirect Taxes and Customs (CBIC) has proposed an additional liability along with specifying brands declaring lower value. There have been rising instances of undervaluation, especially for electronic goods and others imported from South East Asia and China.

The proposed norms are in response to an amendment made through Finance Act 2022. Section 14 was said to be amended to provide for rules enabling the board to specify the additional obligations of the importer for goods with incorrectly declared value, the criteria for selection of such goods, and the related checks. “This amendment is a measure to address the issue of undervaluation in imports,” an explanation to the amendment said.

The board has invited comments on the proposed norms on or before October 14, after which it will notify the final rules.

There will be a two-layer structure to examine the reference for undervalued goods and to make recommendations. One layer will be the screening committee comprising Director General (Valuation), Director General (Revenue Intelligence) and convenors of National Assessment Centre, while the second layer will be the evaluation committee with officers in the rank of Additional Director Generals from Revenue Intelligence, National Customs Targeting Centre and members of National Assessment Centre.

Once the board gets a reference from a government official about goods believed to be imported at lower value, it will be forwarded to the screening committee. If it merits detailed investigation, the evaluation committee will assess whether the “relevant class of goods or subset thereof may not be declared truthfully or accurately”, the draft says. This examination will rely on data analysis, trend in international prices, information received through stakeholder consultation or disclosures, and reports or certificates of experts, among others.

Based on the reports, the board may notify such goods as identified goods and the importer will be required to declare the value of goods using the Unique Quantity Code.

He will also fulfil additional obligations. “Assessment of goods or the goods themselves shall be subjected to specified checks so as to enable and assist the importer to demonstrate the truthfulness and accuracy of the declared value,” the draft says.

The importer may also be asked to furnish more information and documents to examine the truthfulness and accuracy of the declared value.

Source: thehindubusinessline.com- Oct 05, 2022

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GST return Extended timeline for compliances to be effective from FY22: CBIC

The Central Board of Indirect Taxes and Custom (CBIC) has clarified that the extended timeline for compliances such as claiming of ITC in respect of any invoice or debit note in the return will be effective from FY 2021-22 and onwards. However, there is no extension of dates for filing monthly and quarterly returns.

CBIC notified changes in the CGST (Central Goods & Services Tax) Act, as proposed in the Budget for FY 2022-23, to be effective from October 1. These changes related to mainly five categories of compliances.

These include claiming of ITC in respect of any invoice or debit note in the return, declaration of the details of credit notes in the return, rectification of particulars in details of outward supplies, rectification of particulars furnished in returns, and rectification of particulars in the statement furnished by a TCS (Tax Collected at Source) operator.

"The time limit for these compliances in respect of a particular financial year has been extended and fixed as November 30 of the next financial year, or furnishing of the relevant annual return, whichever is earlier," CBIC said. However, doubts were raised whether the said extended timelines are applicable in respect of compliances for FY 2022-23 onwards or whether the same were also applicable to compliances for FY 2021-22.

Another doubt was whether the timelines for the said compliances stand extended to the date of filing/ furnishing of the return/ statement for November 2022 or the said compliances can be carried out in a return or the statement filed/ furnished up to November 30, 2022.

Now the board has said the extended timelines for compliances, with appointment date of October 1, are applicable to the compliances for FY 2021-22 onwards.

"It further clarified that the said compliances in respect of a financial year can be carried out in the relevant return or the statement filed/ furnished up to November 30 of the next financial year, or the date of furnishing annual return for the said financial year, whichever is earlier," the board said.

Further, it clarified that there is no extension of due date for filing monthly return/ statement for the month of October (due in November), or the due date of filing quarterly return/ statement for the quarter ending September.

Source: thehindubusinessline.com- Oct 05, 2022

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Current account deficit: Making sense of India's burgeoning import bill

Trade numbers for 2022-23 are looking dismal. For Q1 and Q2, the current account deficit (CAD) is expected to be the highest in nine years. A quick search on items using the harmonised system (HS) at a 2-digit level reveals that among the top 10 tradeable items, six intra-industry types,

*mineral fuels, oils and bituminous substances,
*natural or cultured pearls, semi-precious stones, diamonds and gold,
*electrical machinery and equipment, sound recorders and television sets,
*nuclear reactor boilers, machinery and mechanical equipment,
*organic chemicals, and
*iron and steel,

contribute more than 70% of India's trade deficit. Controlling CAD would call for understanding the nature of the deficit. All these items are income-elastic - imports are likely to increase when any economy is growing. As one of the fastest-growing large economies, India will need more mineral fuels and natural gas to sustain growth.

Also, among these six major commodities, items falling under mineral fuels stand out. Over the last four years, on average, mineral fuel items contributed about $93,313 million annually to CAD.

However, in the first quarter of the current fiscal alone, this contributed to denting India's CAD by $68,031 million. This sudden rise in import bills on mineral fuels has to do with a stronger US dollar and a rise of global crude oil price. Additionally, starting this year, the rupee depreciated by more than 7%, breaching a historic low of ₹80 to a dollar.

The share of mineral fuel items in India's total imports is about 38%, while its share in India's total exports is about 22%. India mainly imports crude oil and thermal coal. Conglomerates then convert imported crude oil into refined petroleum products, such as motor gasoline, diesel fuels and liquefied petroleum gas for domestic consumption and exports. A growing economy means more demand for transport and energy (met primarily by thermal coal imports).

Apart from mineral fuels, another product category that has contributed most to the rising CAD is pearls, semi- precious stones, diamonds and gold. Due to a shortage in supply of rough diamonds and semi-precious stones from Russia due to the war in Ukraine, India had to import similar items from high-cost supplying countries in Africa. India imports rough diamonds and semi-precious stones, polishes and designs them into jewellery, and then re-exports them. The case for gold is a little different. Over the last 10 years, India witnessed the largest amount of gold imports, most for domestic consumption, with a little element of intra-industry trade.

Organic chemicals, along with iron and steel, contributed sporadically to CAD. During the pandemic, India was heavily dependent on raw materials - active pharmaceutical ingredients (APIs) - from China. The share of API imports from China increased from 1% in 1991 to 70% in 2020. Organic chemicals were also used to make personal protective equipment (PPE) kits and other dyes used during the pandemic. Although India is a leading exporter of generic drugs, the difference in the trade balance was stark.

The increase in iron and steel imports can be attributed to India's commitment to building more physical infrastructure, GoI having increased budgetary allocation for 2022-23 capital expenditure to ₹7.5 lakh crore, from last year's ₹5.5 lakh crore. To reduce dependence on foreign imports, GoI launched programmes such as the National Manufacturing Policy in 2011. Subsequently, schemes like Make in India (2014) and Aatmanirbhar Bharat (2020) were also launched. Additionally, the focus market scheme (FMS), production-linked incentive (PLI), etc, were launched.

While the impact of PLI schemes is yet to be tested, policymakers are firefighting to stave off growing CAD. India continues to buy discounted oil from Russia. Additionally, India restricted export of 100% broken rice. The idea is to use broken rice for producing ethanol, an alternative source of fuel.

On July 1, GoI increased customs tariffs on gold imports from 7.5% to 12.5%. To facilitate technology transfer from developed countries, FDI in the pharma and medical equipment sectors has been allowed up to 100% through the automatic route.

The move has already proved beneficial to some sectors. In the case of high value-added pharmaceutical exports such as formulation and vaccines, India is doing well.

The PLI scheme has seen foreign smartphone manufacturers showing interest in investing in India. This is likely to enhance competitiveness and productivity growth for the Indian manufacturing firms, and rein in control on CAD.

Source: economictimes.indiatimes.com- Oct 06, 2022

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Goods exports drop 3.5% in September but trade deficit eases a tad

Merchandise exports dropped 3.5% in September from a year before to $32.6 billion, the first such drop this fiscal, mirroring a demand slowdown in advanced markets such as the US and the EU. However, trade deficit still eased to $26.7 billion in August from $28.7 billion in the previous month, as imports rose at a slower pace.

In a late-night release on Monday, the commerce ministry said imports inched up just about 5% in September to $59.4 billion, having accelerated at a scorching pace in earlier months of this fiscal that had led to elevated trade deficit.

According to the preliminary data released by the ministry, exports in the first half of this fiscal touched $229.1 billion, up from $198.3 billion a year before. Meanwhile, imports in the first half widened to $378.5 billion from $274.5 billion a year earlier.

Meanwhile, high trade deficit will continue to pressure the current account deficit (CAD), which had hit a 15-quarter high in the June quarter. Official sources, however, stressed the government has adequate heft to finance the CAD.

Importantly, with global commodity prices moderating, export value will remain under pressure in the coming months. This will add to the woes of a demand slowdown in the US, EU, China and the UK. However, domestic exporters are pinning hopes on the diversion of a portion of western orders away from China, whose ability to ship out is somewhat undermined by the fresh Covid outbreak there.

Although imports still remain elevated, the pace of growth is slowing—from 43.6% in July to 37.3% in August to just about 5% now. It suggests pent-up domestic demand, responsible for a spurt in purchases in the aftermath of the Omicron onslaught, is probably losing steam, analysts have said.

Source: financialexpress.com- Oct 04, 2022

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Exporters urge FM to extend GST exemption on export freight

An organisation of exporters wrote to Union Finance Minister Nirmala Sitharaman, urging her to extend the Goods and Services Tax (GST) exemption on export freight that lapsed on September 30.The Federation of Indian Export Organizations (FIEO) expressed concern that if the exemption is not extended, it will add to their liquidity challenges amid rising interest rates.

Since its introduction in 2018, the government had extended the exemption twice till September this year. "Overseas freight rates had increased by 300–350 per cent from pre–Covid levels. Now, there has been a slight decline in such rates, but these are still 200–250 per cent higher than that of the 2019 levels," FIEO President A Sakthivel said.

If the exemption is not renewed, exporters will be required to pay GST at 18 per cent on export freight, which will increase the logistical costs for Indian goods in the international market, he said." Due to the recent increase in interest rates by the Reserve Bank of India, the GST payments on such high freight cost will have a significant negative impact on exporters' liquidity," Sakthivel said. Global trade is "entering a very challenging era as countries are facing high inflation", with an "impending recession impacting the demand", the FIEO president said.

"This is evident from India's slowing export growth rate between April and August. Indian exporters are trying their level best despite the rupee being one of the most resilient currencies in the world, thus not providing less competitiveness to our exports as compared to our competitors as most currencies have depreciated at a much steeper pace," Sakthivel said in his letter sent to the minister via e-mail on October 2.He pointed out that the GST on export freight is "revenue neutral" as exporters will pay the same, and subsequently get a refund but with a lag of 2-3 months, blocking their capital.

"This may augment liquidity of the government but at the cost of exporters. Since the cost of credit for exporters is much high, an exemption will help the sector maintain better liquidity, which is the need of the hour," he said.

Sakthivel urged Sitharaman to take an early decision for the exporting community, which is passing through a difficult phase.

FIEO had recently appealed to the RBI to introduce an export refinance scheme to insulate export credit from the hike in interest rates.

Source: business-standard.com- Oct 02, 2022

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Have India's exports hit a rough patch?

Amber on economy?

The value of goods that India exports dipped marginally by 1.1% to $32.62 billion in September, reflecting the slowing global demand especially in the US -- our top export destination – and in Europe.

India's outbound shipments had hit a monthly record in March 2022 at $42.2 billion. And this is the first contraction in exports since February 2021.

Meanwhile, imports fell below $60 billion for the first time in seven months at $59.35 billion, but were 5.44 per cent higher than a year ago.

The trade deficit, which stood at $26.73 billion for September, was almost 19 per cent higher than a year ago. The Commerce Ministry highlighted that the deficit in September was an improvement over the $28.68 billion reading for August.

But, at the same time, it explained that exports in certain sectors had seen a decline due to the slowdown in some developed economies and the resultant slowdown in demand. It added that exports had also been impacted by some of the measures taken to tackle domestic inflation and food security concerns.

Compared to last year, engineering goods, drugs and pharmaceuticals, chemicals, readymade garments, rice, and cotton yarn and handlooms saw a contraction in September.

Together, these are six of the country's top ten export products. Exports of cotton yarn and handloom products recorded the sharpest decline, shrinking 41.4 per cent year-on-year to just $767.5 million in September from $1.31 billion.

On a worrying note, engineering goods exports, which have been the driver of India's exports performance of late, declined 17 per cent year-on-year to $7.81 billion from $9.41 billion. But, electronics goods exports came out as a bright spot, jumping 64 per cent to $1.9 billion.

The bright spot – India’s service industry

On the other hand, India’s services exports have shown resilience. They grew 15 per cent to $23.54 billion in August, according to provisional data. In July, services exports increased by 20.2 per cent year-on-year to $23.26 billion.

In December last year, analysts at Crisil said in their report that the Indian government's goal of achieving $1 trillion in goods exports by fiscal 2028 needed a reality check.

One of the factors they listed for being cautious was the fact that the country’s exports were highly sensitive to global growth shocks. Even before the onset of the Russia-Ukraine war, they had warned that the emerging global environment was set to become more challenging. In September this year, the Export-Import Bank of India also said that exports could be shadowed by softening global commodity prices, a possible slowdown affecting major trade partners, and the inflationary pressures and tight monetary policies around the world.

And the world is bracing for much more challenging days ahead. Economist Nouriel Roubini has said that a global recession will set in by the end of the current calendar year and last through 2023.

Roubini, who correctly predicted the 2008 financial crisis, has said that the US, along with the rest of the world, is about to face an ugly and long recession. World Trade Organization Director-General Ngozi Okonjo-Iweala has also said that the world is “edging into” a global recession.

The WTO is expected to lower its 2022 trade growth projections next month. In April, it had lowered its projection for growth in merchandise trade this year to three per cent from 4.7 per cent previously.

Since external trade accounts for half of India’s GDP, it could face an economic downturn if a global recession does hit. The country will have to brace for lower merchandise and services exports. But, commodity prices are also correcting. Going forward, they are expected to come down significantly. This would cut the import bill and boost consumption, which would push the growth momentum.

What about free trade agreements? India has returned to the FTA negotiating table after a long hiatus. While agreements have been signed with Australia and the UAE, negotiations are at various stages of conclusion with Canada, the UK and the EU.

Source: business-standard.com- Oct 05, 2022

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Growing local, going global - Unlocking the next leg of growth for lifestyle manufacturers, exporters

Recently Maersk in association with ETRetail, hosted a roundtable on the theme "Growing Local, Going Global: Unlocking the Next Leg of Growth for Lifestyle Manufacturers and Exporters" with industry veterans from prominent exporters and manufacturers in the country. Key discussions took place around the changing landscape of the industry, key challenges, and how local businesses can go up the value chain. Some of the insightful takeaways from this event include:

Consumer behaviour reshaping the industry

Consumer preferences have shifted back to lifestyle products, and they are willing to pay a higher price if they believe that the product has a unique value. Previously unheard of, instant gratification became the norm during the COVID period. With the abundance of options available, if a brand wasn't able to meet this expectation, consumers would switch to purchasing from a competitor.

With this backdrop, Karthik Ganesan, Partner, Bain and Company, opened the discussion. Deepa Kumar, founder-CEO, Yashram Lifestyles said that owing to awareness and rise of social media, today reaching to consumers has become a true democracy. Agreeing with Kumar, Anirudh Kankatala, Director, Kankatala Textiles shared that by leveraging online retail channels the saree brand has been able to tap markets beyond Andhra Pradesh.

Industry experts highlighted that online retail has played a huge role in expanding the reach of brands as COVID changed the consumer mindset away from considering omnichannel as an expensive proposition. In fact, omnichannel is no longer a differentiator, but rather a 'must have' for brands to gain consumer loyalty.

Additionally, omnichannel comes with an added cost as brands have to ensure that they integrate partners who can support them with platforms, markets, payment mediums, and logistics amongst others. Thus, partnerships and collaborations in the Indian industry are increasing at a fast rate.

A classic case study was explored around the online fashion retail industry. Consumers often hit-or-miss the fit, feel or overall look of the products that they have purchased and thus, want to return the product. Understanding the willingness of customers in the UK to visit stores for returning products, the popular brand NEXT, converted these stores as a point of contact for this purpose. The resulting reduction in the logistics costs involved in collecting the products themselves and a higher footfall in their physical stores helped NEXT gain a record profit.

Supply chain transformation

Fast fashion is the need and speed to market is vital to establish to facilitate this. To achieve a seamless supply chain, an overall infrastructural and capability ecosystem is required, shared experts adding that due to restrictions during COVID, the industry mindset shifted towards creating multiple hubs to support easier distribution of products and managing logistics time and cost.

There was a unanimous agreement that logistics parks and investments in infrastructure would help significantly cut down lead times for the movement of raw materials and products. Moreover, more policies, agreements, and capabilities have to be explored to facilitate easier cross-border logistics and payment of raw materials and goods.

Another trend helping reduce lead times and cost is near sourcing, which helps retailers turn their stock around faster. As a result of increased demand, fashion and lifestyle brands are actively sourcing more locally.

Further, industry leaders highlighted the role of technology in providing brands more visibility across logistics, which helps them with inventory management, and cost control, besides identifying opportunities for promotions and discounts.

Brands agreed on the need to bring in partners to enhance the processes in sourcing, transportation, clearances and more, which can transform the overall supply chain.

Sustainability

There was an interesting mix of opinions as this topic was debated. ‘Can fast fashion be sustainable?’ - asked Vikash Agarwal, MD-South Asia, Maersk.

Answering the question, Suman Chowdhury, co-founder, Clovia said that since retailers need to keep up with constant changes in fashion trends, sustainability is an expensive proposition.

Agreeing with Chowdhury, Kankatala said that the majority of consumers are looking at fast, affordable fashion. However, sustainability is not possible in fast fashion.

Adding to the discussion, Ganesan from Bain and Company opined 'Are customers ready to pay more for sustainable products?' Commenting on it, Sujata Biswas, co-founder, Suta said that consumers today are willing to pay extra for sustainable products.

While some agreed with the thoughts shared above, other leaders highlighted that they are focusing on bringing in sustainability in other ways like the fibers or raw material that they use, energy and water consumption, carbon emission reduction etc. However, as a result of these initiatives, the cost of the end product becomes slightly higher.

Presenting his views, Sidhant Keshwani, MD, Libas said that because of price sensitivity, fashion retailers cannot be the first ones to lead sustainability unless there is the support of adequate policies and regulations.

He highlighted that governmental policies and regulations on sustainability are highly important to push the sustainability goals for the industry as a whole.

Updeep Singh, President, Sutlej Textiles opined that fast fashion can be sustainable by bringing in a circular economy.

The concept of a circular economy is still relatively new and unexplored in India but could be a vast benefit for brands to reduce their carbon footprint as well as the cost involved in the pursuit of sustainability.

Potential of the industry

Indian exports of lifestyle and apparel products are growing significantly and prices are expected to stabilise over the next few quarters. India is now predicted to become the third largest exporter by 2025.

Highlighting the potential opportunity for Indian exporters, Agarwal from Maersk opined 'Is the Bangladesh, Srilanka factor helping the country's textile export sector?'

Gokulkrishnan Thangavel, VP, KPR Mill said that Srilanka and Bangladesh are competitive with Indian prices. However, as Indian manufacturers have better vertical integration of infrastructure, they are more competitive than Bangladesh and Srilanka. He added that this vertical integration from fiber to garment helps brands with margin increase, leads to lower in-house prices, and also helps gain advantage over Bangladesh.

Ravi Singhee, MD, Magnum Clothing, shared the opinion that lifestyle brands in India "shouldn't strive to be a more expensive Bangladesh proposition but aim for a cheaper Turkey model".

Singh from Sutlej Textiles highlighted that the Indian textile and garment industry has a broken value chain in terms of capacity. To be on par with the likes of Japan and Europe, businesses in India need to produce at least 40,000 looms per year over the next decade. But today, only about 5,000 looms are produced per year, he shared, adding that to bridge this gap, the textile ministry is considering bringing in an FDI policy in loom manufacturing.

The garment is basically an engine for growth, but the rest of the processes in the value chain have to follow. Business leaders in the industry need to collaboratively focus on and develop the industry, academia and the government in order for the Indian industry to really move ahead and thrive.

Source: retail.economictimes.indiatimes.com- Oct 03, 2022

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At Rs 3,513 crore, Madhya Pradesh bags most textile PLI investments

Madhya Pradesh has bagged the highest amount of investment, to the tune of Rs 3,513 crore under the production linked incentive (PLI) scheme for the textile sector, data from a recent parliamentary panel report shows.

The standing committee on labour, textiles and skill development in its report on the man-made fibres (MMF) was informed by the textile ministry earlier this year that out of 67 applicants, 64 projects with a proposed investment of Rs 19,798 crore were approved by a selection committee under the PLI scheme. While Gujarat saw the highest number of proposed projects (13), Madhya Pradesh cornered the highest amount of proposed investment (Rs 3,513 crore).

SHARE IN THE PIE

States/UTs	Proposed investment (₹ in cr)	#Number of proposed projects
Madhya Pradesh	3,513	12
Gujarat	3,135	13
Maharashtra	2,436	10
Goa	1,654	1
Karnataka	1,581	5
West Bengal	1,383	1
Telangana	1,051	1
Uttar Pradesh	906	7
Rajasthan	901	4
Andhra Pradesh	814	6
Tamil Nadu	752	6
Daman & Diu	550	2
Haryana	519	3
Punjab	439	3
Himachal Pradesh	165	2

State-wise distribution of proposed projects (76) and proposed total investments against 64 approved projects.
Source: Parliamentary Standing Committee for textiles

The government approved the PLI Scheme for textile products in September last year with an aim to promote MMF apparel, MMF fabrics, products of technical textiles and to enhance manufacturing capabilities and exports from the country of select MMF products with an approved outlay of Rs 10,683 crore.

“Selected companies would be eligible to get incentives on achieving threshold investment to promote size and scale, competitiveness and generate employment by overcoming constraints like lack of economies of scale, defective fabrics and non-compliance to International standards”, the committee noted.

The scheme has two parts. Under Part-1, the minimum investment required is Rs 300 crore and 15 per cent incentive will be provided on attaining required turnover in the first year. Under Part-2, the minimum investment is Rs 100 crore and 11 per cent incentive will be provided on attaining required turnover in the first year. Additionally, the incentive will be reduced by one percentage point every year from second year onwards till the fifth year under both parts of the Scheme.

Under the scheme, 14 projects with a minimum investment of Rs 300 crore were approved, with a proposed investment of Rs 10,518 crore and with a potential to generate 98,088 jobs, the textile ministry informed the committee. Also, 50 projects with a minimum investment of Rs 100 crore were approved, with a proposed investment of 9,280 crore and with a potential to generate 147,274 jobs.

Noting that technical textiles is a high technology sunrise sector, the committee called upon the ministry to intensify the efforts for the development and expansion of Technical textiles.

"The Committee would also like the Ministry to explore the feasibility of exploring PPP models and strategic market partnerships with Global players for acquiring technical know-how so as to strengthen the development of an indigenous industry towards transforming India into a global manufacturing hub for technical textiles", noted the ministry.

Source: business-standard.com- Oct 05, 2022

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Big States recorded high double-digit growth in GST revenue in July-September

Big States such as Maharashtra, Gujarat, and Karnataka have recorded double digit growth in GST revenue during the first three months after the end of the compensation period on June 30, 2022. Overall, all the three months saw overall GST revenue collection of over ₹1.43 lakh crore every month.

With this, the voice for resuming GST Compensation is expected to fade in the next meeting of the GST Council scheduled to take place in Madurai, for which the date has not been fixed. For accounting purposes, cess is included in States revenue, but they are not actually getting any rupee as it is being used in paying back to back loans taken to pay compensation during FY21 and FY22, amounting to over ₹2.50 lakh crore. Other components of State's revenue include SGST and part of IGST. Part of CGST is deposited in the devolution pool, which is shared with the States in due course.

Officials attribute the growth in collections not just to economic recovery but also to better compliance and joint enforcement by the Centre and States. At the same time, bringing various packaged products under GST with effect from July 18 resulted in better collection.

From October 1, new e-invoicing norms for businesses having a turnover of more than ₹10 crore are further expected to boost compliance and collection.

Growing trend

Another trend observed is that, apart from the bigger States, others too have seen good growth during the three month period under consideration, though it is mainly a base effect.

For example, revenue from GST in Bihar surged to over ₹1,400 crore and recorded a growth rate of 67 per cent in the month of September as against the corresponding month of last year. Similarly, West Bengal showed a growth rate of 27 per cent, with collections rising to ₹4,804 crore from ₹3,778 crore.

One more important element of collection is consistent in cess collection. For a three-month period, cess collection was over ₹10,000 crore. This could be because of record automobile sales (around 1 million in three months) and also higher sales of aerated beverages, two prominent goods attracting cess and GST rates. The official says if this trend continues, then there is a possibility of repaying the loan along with interest could be done before time.

Though States are not getting any compensation from July 01, 2022, but date for levying cess has been extended till March 31, 2022 for debt servicing. In the last meeting of GST Council held in Chandigarh (June 28-29, 2022), there was strong demand for extending the compensation for some more time, but was not agreed upon. Now, officials believe with string growth of revenue, there many not be much voice for this in next meeting.

Source: thehindubusinessline.com- Oct 03, 2022

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India's weakening exports slows trade deficit moderation: Barclays

India's trade deficit is beginning to consolidate, but the weaker exports are prompting a more gradual adjustment than expected, Barclays Bank said in a note on Tuesday.

India's trade deficit fell to $26.7 billion in September from $28 billion in August and $30 billion in July.

In that same period, merchandise exports moderated from $36.2 billion in July to $33.9 billion in August, to $32.6 billion in September. The import bill, meanwhile, dropped to $59.3 billion in September from $61.9 billion in August.

Month	Trade deficit	Merchandise exports
July	$30 billion	$36.2 billion
August	$28 billion	$33.9 billion
September	$26.7 billion	$32.6 billion

"Exports are moderating despite some stabilisation in petroleum shipments, with the bulk of weakness in non-oil, non-jewellery exports," Rahul Bajoria, India economist at Barclays Bank, said.

India's potentially faster growth path amid a deteriorating global backdrop could bring the risks of a slower pace of decline in the trade deficit and that of a wider current account deficit, Bajoria said.

Despite the trade deficit moderating since the record high of $30 billion in July, the overall gap remains large, Bajoria noted.

India's current account deficit remains on track to reach $115 billion, or 3.3 per cent of the gross domestic product (GDP), in the current fiscal year, he estimates.

"As a result, while the RBI (Reserve Bank of India) continues its battle to reduce inflation, it will not lose sight of evolving risks to India's macroeconomic stability."

Source: thehindubusinessline.com- Oct 04, 2022

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Addressable MSME base for banks expanding with growing Udyam registrations: Crisil

Credit and finance for MSMEs: With the increasing formalisation of the MSME sector and the number of MSMEs registered under the Udyam portal, the addressable base for banks is expanding, especially for priority sector loans, said credit rating agency Crisil Ratings on Monday. “The segment is also riding on the benefits of government reforms,” the agency said in its H1 FY23 round-up of India Inc’s credit ratings.

As of October 3, 2022, 1.12 crore MSMEs had registered on the Udyam portal, of which 1.06 crore were micro units, 4.13 lakh were small enterprises, and 38,885 were medium units, according to the data from the Udyam portal that was launched in July 2020 to replace the erstwhile Udyog Aadhaar Memorandum (UAM) portal for MSME registration.

The government’s intent to launch Udyam has been to ease the process of formalisation of MSMEs for better decision-making with respect to relevant schemes and initiatives to be undertaken to help the sector grow.

“The multiplicity of issues which we face in the MSME sector, it is probably a multi-pronged approach which is more suitable. The first obvious step here, which is also kind of the biggest ambition of the MSME Ministry is to identify micro, small and medium entrepreneurs and to bring them under a formal structure. Formalisation is our primary target and the biggest ambition,” MSME Ministry Secretary B.B. Swain had at FE MSME Business Conclave organised by FEASPIRE in June this year.

Crisil highlighted growth in the Udyam database as one of the points noting improvement in key performance metrics for banks. The banking sector is at an inflection point, slowly putting past vulnerabilities behind and making a comeback after a phase of a sharp increase in gross NPAs, fall in profits, and subdued credit growth, the agency said.

Credit growth for the banking sector is likely to pick up to 14-15 per cent in fiscal 2023 from around 12 per cent in the previous fiscal. However, the asset quality in the MSME segment, which saw the maximum restructuring, remains a key monitorable, with gross NPAs expected to rise in the current financial year, Crisil said.

Importantly, the Reserve Bank of India (RBI) in its Financial Stability Report (FSR) in June this year noted that even as the gross NPA ratio of banks in the MSME sector dipped from 11.3 per cent in September 2021 to 9.3 per cent in March 2022, the bad assets in the sector remain relatively high.

According to the report, the Rs 46,186-crore restructured MSME portfolio, which constituted 2.5 per cent of total advances under the May 2021 restructuring scheme, has the potential to create stress in the sector. For the next financial year 2023-24 as well, the asset quality in the MSME segment may deteriorate, Crisil said in a statement last month. Gross MSME NPAs may rise to around 10-11 per cent by March 2024 from approximately 9.3 per cent as on March 31, 2022

Source: financialexpress.com– Oct 03, 2022

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Cotton arrival in Punjab mandis slower than last year

More than a month after cotton harvesting commenced in Punjab, the semi-arid districts are witnessing a decline in arrival by five times than the last kharif marketing season.

Market watchers attribute sluggish arrival to a plunge in the prices for the 'white gold' in the last two weeks due to the ongoing low demand in the international market.

They say farmers are holding back the non-perishable produce for higher rates.

According to information available with the Punjab State Agricultural Marketing Board or the mandi board, various districts of the semi-arid region of Punjab recorded the arrival of 46,000 quintals this season by October 4.

Whereas in 2021, different purchase centres had registered the arrival of 2.33 lakh quintals by October 4.

"On September 29, the average rate of the raw in Punjab was ₹9,050 per quintal that was dropped to the average rate ₹8,400 yesterday that was 2,020 above the MSP," said state cotton co-ordinator Rajnish Goel.

For the 2022-23 kharif marketing season, the Centre has fixed the minimum support price (MSP) for cotton at ₹6,380 per quintal.

The purchase season of Cotton Corporation of India (CCI) starts on October 1. CCI officials said it is unlikely that the central agency will enter the market for the second consecutive year as the private sector is buying the raw cotton at rates higher than the MSP.

A cotton grower from Bathinda's Bajak, Baldev Singh said farmers are hoping that rates will improve in the coming weeks.

"Picking of cotton bolls has gained momentum and farmers will hit the market when rates improve. This season remained challenging for cotton farmers as the crop was affected by pink bollworm and whitefly.

At the sowing time, fields in cotton-sowing districts were affected by water scarcity and in the later stage, several areas waterlogged due to rains," said the progressive farmer.

In 2021, Punjab witnessed the first-ever infestation of pink bollworm that crashed cotton production drastically.

In the last kharif season, Punjab produced 22 lakh quintals of cotton, whereas, during the 2020-21 period, all seven districts of the state produced over 49 lakh quintals of white gold.

President of Indian Cotton Association Limited (ICAI), a body of those dealing in the export, spinning, ginning of cotton, Mukul Tayal said the industry expects production of 6 lakh bales or 30,000 lakh quintal cotton in Punjab.

"Unlike other cotton-growing states like Rajasthan and Haryana, cotton crop in Punjab was not on the best scale due to various reasons. Even as demand in the international market is low, farmers in Punjab and other states are likely getting rates higher than MSP," said Tayal.

Source: hindustantimes.com– Oct 06, 2022

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EPFO to conduct pension adalat virtually on October 10 in Coimbatore

The Employees Provident Fund Organisation (EPFO) will organise PF Near You and pension adalat on October 10 virtually. The meeting will be held for employees and trade unions from 11 a.m.; for employers from noon, and for pensioners from 2.30 p.m.

All those who want to participate should mail the details UAN number, PF number, name of the establishment, mobile number and email ID to pghs.rocbe@epfindia.gov.in

CITI office bearers

T. Rajkumar, chairman of Sri Mahasakthi Mills Limited, Kerala, and Foundation One Infrastructures, Tamil Nadu, was re-elected chairman of Confederation of Indian Textile Industry (CITI) at its annual meeting held recently.

Rakesh Mehra, chairman of Banswara Syntex, was re-elected as the deputy chairman, and Ashwin Chandran, chairman and managing director of Precot Meridien, will continue as vice chairman of CITI.

PAT office bearers

T.J. Varghese Vaidyan, Senior General Manager of Matheson Bosanguet Enterprises in the Nilgiris, was elected president of Planters' Association of Tamil Nadu (PAT) for 2022-23 at the recently held annual meeting of the Association.

Yercaud coffee planter, Vinodhan Kandiah was elected its vice chairman.
Council launches logo

The Cotton Textiles Export Promotion Council (Texprocil) has launched a logo for its General Certification of Conformity (GCC) programme.

Roop Rashi, Textile Commissioner, launched the logo at the foundation day programme of the Council held in Mumbai recently. Seminars and presentations were organised on "Sustainability, Circularity, and Traceability". Sunil Patwari, the newly-elected chairman of the Council, said traceability of cotton fibre is now an essential parameter for export of

value added cotton textile products to developed markets. In this backdrop, the Council launched the GCC Programme along with Control Union for the Traceability of Indian Farm Cotton. More than 50 companies have registered as members of the programme and GCC certificates are being issued to them.

Source: thehindu.com– Oct 05, 2022

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South India's cotton yarn market still bearish; buyers remain absent

A weaker demand in Mumbai and holiday in Tiruppur have caused south India's cotton yarn trade to slow down today. Buyers remained absent from the Mumbai yarn market, despite a steep fall of ₹5-10 per kg in the last couple of days. Southern markets are closed on account of festival today, while the northern markets will remain closed tomorrow.

The Mumbai market noted a drop of ₹5-10 per kg in cotton yarn prices. The lower prices also failed to attract buyers. A trader from Mumbai market told Fibre2Fashion, "Prices are likely to fall further in the coming days. Cotton yarn may decline by ₹10-15 per kg to encourage buyers. Mills and stockists are feeling the pressure of selling their stocks."

In the Mumbai market, 60 count carded cotton yarn of warp and weft varieties were traded at ₹1,620-1,660 and ₹1,540-1,580 per 5 kg (GST extra) respectively. 60 combed warp was priced at ₹375-385 per kg. 80 carded (weft) cotton yarn was sold at ₹1,560-1,600 per 4.5 kg. 44/46 count carded cotton yarn (warp) was priced at ₹310-315 per kg. 40/41 count carded cotton yarn (warp) was sold at ₹288-295 per kg. 40/41 count combed yarn (warp) was priced at ₹320-332 per kg, according to Fibre2Fashion's market insight tool TexPro.

In Gujarat, daily cotton arrival was at 14,000-15,000 bales of 170 kg each. Cotton prices gained in the last couple of days. Shankar-6 cotton was traded at ₹70,000-71,000 per candy of 356 kg in the spot market of Gujarat. Earlier, it had fallen to ₹68,500-69,000 per candy. Discouraged by lower prices, sellers reduced the supply of cotton.

Source: fibre2fashion.com– Oct 04, 2022

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