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INTERNATIONAL NEWS

Enhanced Demand Critical for the Cotton and Textile Industries

Demand for discretionary products like textiles is low and needs enhancement.

New cotton harvests are arriving in India and the High Plains of Texas. However, current demand is weak compared to last year.

On Nov. 14, the Cotton Association of India (CAI), released the 2022-23 cotton supply and demand in India. Cotton production in India during 2022-23 (October 2022 to September 2023) is estimated to be 34.4 million bales (170 Kgs/bale), while the total supply will be 38.78 million bales (170 Kgs/bale). Consumption is estimated to be about 30 million bales, which is lower than the previous year's usage.

This year (Oct. 2002-Sep. 2023), Indian domestic consumption by spinners is expected to be lower by 1.8 million bales compared to the previous cotton year, indicating the squeeze in the demand side.

With the beginning of new cotton season in India, Velmurugan Shanmugam, General Manager of Jayalakshmi Textiles, indicated that the cotton stock situation is good. "Yarn demand is less than what it was during this period last year," he added. From June to October 2022, daily cotton yarn production at Jayalakshmi Textiles was only about 60% of normal production indicating weak demand.

Geopolitical and economic scenarios are playing their part in influencing the demand of textile and other non-essential products, stated Mark Brown, Field Services Director of Plains Cotton Growers, Inc. in Lubbock, TX. Similar sentiments have been expressed by industry leaders in India.

"Product demand is pathetic," stated Gnanasekar Thiagarajan, Director of Mumbai-based commodity research firm, Commtrendz Research. "It is interesting that Chinese yarns are available in India at discounted prices, adding pressure to the Indian spinning sector."

I have been emphasizing the need for enhancing cotton demand by exploring new markets and developing value-added products. Cotton, being a natural fiber, has a good story to tell regarding product sustainability.

The industry is hoping that the United States' interest rate hike, which is expected to moderate in the coming months, will improve demand for items like textiles. Enquiries must be materialized as orders, which depend on multiple factors like energy situation, inflation, political tensions in Europe, U.S.-China relations, and more. The Bangladesh textile sector also is affected by high energy prices as well as availability issues.

All eyes are on India, which is expected to surpass China as the world's most populated country in the next year. It is a dominant player in cotton production and textile manufacturing. The Government of India is encouraging its synthetic sector to grow to enhance India's textile offerings and capacity.

Three countries will play a dominant role in geopolitics as well as the textile space: the United States, China, and India.

Source: cottongrower.com - Nov 15, 2022

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H&M, Inditex among brands committing to source alternative fibres

Signed at this week's COP27 summit in Sharm El Sheik, and spearheaded by environmental non-profit Canopy, the commitment towards more sustainable, lower-carbon alternative fibres – known as Next Generation Solutions – reflects a building urgency across industries to accelerate the transition to nature-positive business models.

The market pull is essential to attract the investment necessary to scale these game-changing Next Generation alternative fibres on ecologically meaningful timelines, Canopy says. It is a move that will support the protection of the world's vital forests and ecosystems and lower forest degradation pressures from the fashion and packaging supply chains.

"We are thrilled to advance this commitment with forward-looking partners who are willing to challenge the status quo and in doing so provide a breakthrough for these game-changing technologies," said Canopy founder and executive director, Nicole Rycroft.

"This commitment will allow us to take a historic leap closer to the US$64bn of investments in sustainable alternatives needed to ensure forest conservation for our planet's climate and biodiversity stability."

At last year's UN Climate Change Conference, protecting nature was at the centre of commitments to deliver on global climate targets. Today one-third of the world's most influential companies have yet to make forest conservation commitments, Canopy says, despite the scientific community's warnings that at least 50% of the world's forests need to be conserved or restored by 2030 to ensure global temperature rises stay below 1.5 °C.

Figures from Canopy show that every year, over 3.2 billion trees are cut down to produce fibre for packaging and clothing, releasing vast amounts of CO_2 into the atmosphere. Wood fibre alternatives – such as agricultural residues and recycled textiles – are readily available and can be scaled. Moving to Next Generation Solutions could help avoid almost 1Gt of CO_2 emissions between now and 2030, it says.

"At H&M GROUP, we are committed to becoming a circular business, in which moving towards more sustainable alternatives for our materials is crucial. Canopy has showed true leadership by bringing the fashion and regenerated cellulosic industries together with the purpose of reducing fashion's dependency on forests," said Madelene Ericsson, environmental sustainability business expert H&M

The signatories have also committed to ensuring their respective supply chains are free of Ancient and Endangered Forests and are calling on industry peers to follow suit by shifting towards sustainable Next Generation alternative fibres such as ones made from agricultural residue or recycled textiles.

When compared to forest fibres, Next-Generation Solutions have on average: 95% to 130% less CO_2 emissions, 18% to 70% less fossil energy resource depletion, 88% to 100% less land-use impacts, and at least 5x lower impact on biodiversity/threatened species.

Source: just-style.com - Nov 15, 2022

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Industrial fabrics grow at 7%, Asia to emerge largest market

The industrial fabrics market is growing by seven per cent a year.

Major key factors propelling the growth of the industrial fabrics market are the rapid expansion of the textile industry across the world and the production of fabrics globally.

Industrial fabrics are generally utilized in the production processes of the parts of structures, machines and other technical articles. Employing both natural and synthetic materials, industrial fabrics are manufactured in diverse patterns to be used in varied manufacturing processes. The presence of textile businesses is anticipated to bolster the production of industrial fabrics.

The global industrial fabrics market is also estimated to grow on account of the growth in the production of textile fibers across the globe and the significant number of industrial accidents.

The automotive segment is anticipated to garner the largest revenue. The rising demand for automobiles by the burgeoning population is expected to increase the sales of industrial fabrics in the upcoming years.

The Asia Pacific industrial fabrics market is anticipated to hold the largest market share by the end of 2033 among markets in all other regions.

The rising population along with their increasing demand and manufacturing of textile fibers in the region are some of the major factors anticipated to drive the growth of the market in the Asia Pacific.

Source: fashionatingworld.com- Nov 15, 2022

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Turkey retail sales volume up nine per cent

Turkey's retail sales volume rose by nine per cent in September 2022. In the same month, non-food (except automotive fuel) sales increased by 13 per cent, automotive fuel sales decreased by three per cent and those of textile, apparel and footwear rose by two per cent compared to September 2021.

Retail sales volume increased by one per cent in September 2022 compared with August 2022. In the same month, non-food (except automotive fuel) sales increased by two per cent, automotive fuel sales increased by one per cent and those of textile, apparel and footwear did not rise at all.

Retail turnover increased by 130 per cent in September 2022, while its rise was five per cent month on month. The retail turnover of the textile, apparel and footwear sector rose by 127 per cent year on year in September while its rise was six per cent month on month.

From January 2022 to September 2022 Turkey's apparel exports increased by ten per cent. Earnings from exports of knitted and crocheted clothing and accessories grew by seven per cent during the same months of the previous year.

Earnings from exports of non-knitted apparel and accessories grew by 14per cent compared to the same period of the previous year.

Source: fashionatingworld.com- Nov 15, 2022

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US treasury department removes India from currency monitoring list

The US treasury department has taken off India's name from its currency monitoring list of major trading partners.

It has also removed Mexico, Thailand, Italy and Vietnam from the list, it conveyed in its biannual report to Congress. Seven countries—Japan, China, Korea, Singapore, Germany, Malaysia and Taiwan—are now on its monitoring list.

The report was issued on the day treasury secretary Janet Yellen met Indian finance minister Nirmala Sitharaman in New Delhi.

Both leaders affirmed to solidify business-to-business bilateral links during the meeting, Indian media reported.

If a country appears on the US currency monitoring list, it is regarded as a 'currency manipulator'—a designation that the US authorities give to countries that are said to engage in 'unfair currency practices' for trade benefits.

The development is expected to be positive for stock markets.

Source: fibre2fashion.com- Nov 15, 2022

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New association to aid logistics activities in Hanoi, Vietnam

Hanoi Logistics Association (HNLA) has been established to promote logistics activities in Hanoi city, Vietnam's capital, which has observed a high demand for e-commerce logistics in the recent years. The association will act as a connection between Hanoi city and businesses and will be advising on policies related to logistics activities.

HNLA's congress elected the executive board, consisting of 16 members, for the 2022-25 term at the first meeting held last week.

The board members elected Tran Duc Nghia, director of the Delta International Joint Stock Company, president of the association for the 2022-25 term.

The association's aim is to improve the connection of multimodal transport, several types of logistics activities, and planning and construction of logistics centres at the national and regional levels, according to Vietnamese media reports.

At present, the 25,000 firms in the city operating in the logistics sector only meet 25 per cent of demand; therefore, this association will be key to boost logistics activities, said Tran Th? Phuong Lan, acting director of Hanoi's department of industry and trade.

Source: fibre2fashion.com- Nov 15, 2022

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RMG: Bangladesh should look for new ways to be competitive

The textile industry in Bangladesh is facing many daunting challenges that must be dealt with new, innovative strategies. Just as the industry was regaining its footing from the pandemic in 2020, the Ukraine-Russia war has had a disastrous impact on global supply chains, exerting inflationary pressure on our key markets.

As of August 2022, Europe is experiencing record inflation of 9.1%, driven by surging energy prices. Both the US and Europe are suffering from economic downturn, the effects of which are already being felt in retail, as consumer demand plummets. At home, the energy crisis has rocked our markets, and factories are struggling to keep their lines running.

It is clear that a global economic recession is just around the corner, and Bangladesh's textiles industry cannot afford to employ the same strategies it has in the past. We must be prepared to absorb the shock, and pivot according to new market demands.

Firstly, it is imperative that the industry stops relying on cheap labour and duty-free trade access to remain competitive in the global market. Bangladesh is losing its Least Developed Country (LDC) status in the next five years or so, and our favourable trade agreements are set to expire with it. Favourable trade agreements such as GSP have undeniably helped propel the textile industry forward, giving us valuable, duty-free access to key markets.

Combined with the low cost of labour, we have been able to use our trade advantages to become a dominant player in the global textiles arena. Bangladesh is trying to extend GSP privileges for another decade, but it remains a gamble to rely on cheap labour and preferential trade deals. After all, labour wages have been rising steadily since the early days of garments, narrowing the profit margins. On the other hand, prices offered by buyers remain relatively stagnant and are only going to decline further.

Instead of reducing labour wages, a more far-sighted solution is to reskill and upskill workers in textile-specialised vocational schools. Capacity-building strategies that create better, more efficient workers are not only a boon for the industry, but also an advantage for the nation. With a skilled workforce, we can achieve greater product diversification, venturing into higher value-added items like lingerie and sportswear.

To do this, I propose instituting at least one textile vocational school in each of the eight divisions in Bangladesh, making trade schools accessible to people all across the country. It is high time we invest in our human resources, undeniably our greatest asset and the reason for the textile industry's success. This will require cooperation, coordination and investment from multiple stakeholders, including the government, trade bodies, brands, NGOs, and foreign investors.

The Skills For Employment Investment Program (SEIP) is an organisation that is already running many such vocational training schools for multiple trades and industries. It was born out of the collaborative efforts of the government, Asian Development Bank (ADB), and other NGOs and international stakeholders. On a nationwide, more systematic scale, relevant SEIP programs can be expanded into vocational schools to transform our human resources to an international standard truly.

This is especially necessary, considering how our direct competitor and market peer, Vietnam, was able to overtake us as the second largest garments exporter in 2020. Although we were able to reclaim the second position in 2021, Bangladesh still lags behind Vietnam in key variables of efficiency, such as lead time, product quality and sustainability.

According to a competitiveness report published by World Trade Organization (WTO), Vietnam outscores Bangladesh on ten out of twelve indices. Unsurprisingly, the only two indices Bangladesh outperformed Vietnam in were cost of manufacturing and tariff facilities, thanks to the cheap cost of local labour and duty-free access to global markets.

However, how long can Bangladesh rely on these two factors to retain its global competitive advantage, especially after graduating from LDC? We must invest in our human resources today if we are to survive the next decade of challenges ahead.

Source: tbsnews.net- Nov 16, 2022

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Bangladesh: Exporters reluctant to enjoy duty refund facilities

Exporters are reluctant to enjoy the duty refund facilities under the Value Added Tax and Supplementary Duty Act, 2012 and the Customs Act, 1969 due to a complex paperwork process.

They paid over 50 per cent of the refund amount at several verification stages to get a refund from Duty Exemption and Drawback Office of the National Board of Revenue.

They suggested that the government introduce a paperless integrated automation system for availing the facilities without any hassle.

DEDO said they were developing an automation system to make the refund process easier than the traditional process.

According to the NBR, DEDO has refunded around Tk 39.55 crore against 395 applications in July to October of the current financial year among the exporters through Integrated Budget and Accounting System (ibas++).

Newly appointed DEDO director general Mohammad Belal Hossain Chowdhury told New Age that his team had been working cooperatively with the exporters for ensuring hassle-free services and motivating the exporters to enjoy the facility.

He said, ‘DEDO refunded the duties and taxes by cross-checking whether the exporters have properly used the raw materials in production and exported the products.’

Normally they follow the utilisation declaration documents to match the real scenario, he added.

DEDO settled over 25,000 refund claims of the traders and Tk 50 crore as refund against export and import trade annually, he informed.

At present, exporters apply for refund through paper-based application and soon they will introduce a module on their official website for making online based application system available, he said.

He said, ‘Exporters are getting refund on a flat rate basis of their paid duties but we also allow drawbacks on an actual case-to-case basis.’

Bangladesh Knitwear Manufacturers and Exporters Association executive president Mohammad Hatem informed New Age that exporters of the association were overlooking the facility for the last three years due to a complex process.

He said, ‘A group of corrupt officials harassed exporters in the name of verification and charged fines for getting the advantage of the facility.’

He suggested introducing an automation system so that exporters can avail the facility. Bangladesh Plastic Goods Manufacturers and Exporters Association president Shamim Ahmed also demanded introduction of the automation system.

He said, ‘Enjoying duties and taxes refund facility is their right but due to a complex process businesses are reluctant to enjoy the advantage of the facility.’

According to the existing rules, a group of local exporters including knitwear, specialised textile, jute goods, plastic goods, shopping bag, fuel, processed woods, insulator, leather, surgical goods, power transformer, metal zipper and MS product exporters can enjoy the duty refund facility.

According to the Value Added Tax and Supplementary Duty Act, 2012, embassies, high commissions, diplomats and UN system organisations are also subject to enjoy the facility on payable value-added tax and SD if any.

It also provides a refund of taxes on utility bills like electricity and gas.

On August 16, 2021, NBR introduced a rule making it mandatory to submit the utilisation declaration to the DEDO for getting the duty drawback within six months of export so that DEDO can issue coefficients to the exporters to facilitate provision of refunds and to keep export activities uninterrupted.

Source: newagebd.net- Nov 15, 2022

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Bangladesh Suppliers Want 'Fair Bargain' From Brands

The message has never been clearer: the government is firmly behind Bangladesh's ambition to produce $100 billion worth of apparel annually by 2030, and entrepreneurs are leading the way.

As Bangladesh Prime Minister Sheikh Hasina inaugurated Made in Bangladesh Week on Sunday, it was apparent that these targets are intended to be more than just talk.

Organized by the Bangladesh Garment and Manufacturers Exporters Association (BGMEA) and partnering with Bangladesh Apparel Exchange (BAE), the Nov. 12-18 forum has a series of events dispersed in different parts of the city, and growing the sector is at the top of the agenda.

"I urge the foreign businessmen to choose Bangladesh for investment and sourcing to avail the win-win situation," the prime minister said during the inaugural session at the Bangabandhu International Conference Center. Citing Bangladesh's investment-friendly policies, she added that the "duty-free, quota free access of Bangladeshi products to different foreign markets would help both foreign business and local entrepreneurs."

"I would urge the local business to explore your foreign partners. You can utilize their technology and knowledge in our industry," Hasina said.

"Bangladesh is setting up 100 special economic zones in different parts of the country. We want local and foreign investment in those zones. Now, an excellent investment environment prevails in Bangladesh," she continued.

Second only to China, Bangladesh has steadily been growing its apparel export numbers, which leaped 35.47 percent over the previous fiscal year to reach $46.21 billion in apparel export turnover.

The financial year in Bangladesh runs June 30 through July 1.

Apparel accounts for approximately 82 percent of the country's export earnings and is also the largest formal sector employer with more than four million workers.

"The week-long Made in Bangladesh Week 2022 is set to brand the country and to showcase its capabilities," said Faruque Hassan, president, Bangladesh Garment Manufacturers and Exporters Association.

Diversification is a major objective, both geographically and in terms of products.

Exports to the European Union were $21.4 billion, up 33.87 percent in the 2022 financial year, and $9 billion to the U.S, up 51.57 percent. While Made in Bangladesh Week is intended to celebrate the success so far, and erase memories of fire and mayhem, part of the focus is about thinking through new strategies.

The idea of reaching other markets is being explored with more enthusiasm.

The prime minister noted that the Asian region and its large consumer population offers a huge opportunity, and Bangladesh is developing connectivity with South Asia and South East Asia. "Bangladesh is connecting with the Trans-Asian railway and Trans-Asian highway. In addition, we are also developing waterways, airways and railways communications," she said.

"The apparel manufacturers want to capture 10 percent of the global apparel market by 2025," Hassan said, up from 6.2 percent today.

"We will do this by exploring new markets and diversifying product baskets and add more markets such as Japan, India, Middle Eastern countries and others," he said.

Another way forward is through diversification of products: companies are looking at ways to move out of low-margin product lines like T-shirts and increase value-added production, such as categories including athleisure, outerwear and lingerie.

Hassan pointed out that the industry was ramping up on various fronts—not only innovation and sustainability, but also competitive labor practices, shorter lead times, safe, compliant factories and hassle-free ports and shipments.

Another major change that is being projected at the event is the shift in image for Bangladesh, to a safer, more sustainable production country.

"Let them expect no more Rana Plaza—this is a different Bangladesh," said Mostafiz Uddin, founder and CEO, Bangladesh Apparel Exchange. "We want people to see with their own eyes what these changes really are. They can see our product capabilities, worker rights, health and safety improvements. We are arranging a lot of factory tours, because seeing is believing. We are creating an opportunity for the global challenges to be faced together."

The events in the week include a series of panels and discussions, including the International Apparel Federation (Nov. 14), the third Dhaka Apparel Summit (Nov. 14-16), Bangladesh Denim Expo (Nov. 15-16), Sustainable Fashion and Innovation Awards (Nov. 16) and many others. The Dhaka Apparel Expo (Nov. 14-16) is a meeting ground for manufacturers with stalls to show off their diversity, and network with buyers and potential trade visitors.

More than 100 international participants including foreign buyers and investors or their representatives are participating in the event.

Given that global brands have worked with Bangladesh for factory safety with the Bangladesh Accord on Fire and Building safety, a consortium of mostly European brands, and the Alliance for Bangladesh Worker Safety, made up mostly of North American brands, manufacturers said that it is time to get beyond the "audit fatigue" generated by the sometimes overlapping and confusing norms and inspections. Many factories cater to multiple geographies and brands and communication between the various stakeholders can be cumbersome.

Conversations at the event, and on the ground at the expo, have been animated and forward looking.

"This is a partnership, it should not be a one-way (communication) from the brands to the manufacturers," Neela Hosna Ara, director at Crony Group and a director at BGMEA, said when discussing the strides made in the industry.

Vidiya Amrit Khan, deputy managing director for Desh Garments Limited and also a BGMEA director, agreed.

“Brands talk about a lot of things, but they don’t walk the talk,” she said.

“On the one hand they say they want worker sustainability and other things, but they have one-sided contracts: they don’t care about how much they pay us, they don’t care about the number of cancellations during covid—there were $63 million worth of cancellations at the time and they didn’t blink an eye. Then they talk about how much they care about the women workers and their skills etc. It has to be a fair bargain,” she said.

As the Made in Bangladesh week gets underway, a clear theme is emerging—”Care for Fashion.”

“It means, keeping in mind all the stakeholders, who are getting a chance to exchange points of view,” said Uddin.

Source: sourcingjournal.com- Nov 15, 2022

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Pakistan: Textile exports surge by 3.68pc to $4.58 billion in Q1

The exports of textile goods increased by 3.68 percent during the first quarter (Q1) of the current fiscal year as compared to the corresponding period of last year. The textile goods' exports were recorded at $4,583.610 million in July-September (FY2022-23) against the exports of $4,420.883 million in July-September (FY2021-22), showing growth of 3.68 percent, according to the latest data released by Pakistan Bureau of Statistics (PBS).

The textile products that contributed in trade growth included cotton cloth, the exports of which grew by 4.21 percent to $580.524 million from $557.081 million while the exports of knitwear increased by 15.40 percent, from $1,144.587 million to $1,320.897 million.

Likewise, the exports of tents, canvas and tarpaulin increased by 40.56, from $21.177 million to $29.766 million, ready-made garments by 5.85 percent, from $861.169 million to $911.514 million and art, silk and synthetic textile by 0.35 percent from $107.947 million to $108.321 million.

The exports of raw cotton witnessed cent percent growth by growing to $5.908 million, according to PBS data. The textile goods that witnessed negative growth in trade included cotton yarn, the exports of which declined by 18.14 percent, from $ 288,617 million to $ 236,263 million.

Likewise, the exports of cotton (carded or combed) declined by 85.47 percent, from $1.473 million to $0.214 million, yarn (other than cotton yarn) by 4.97 percent, from $12.426 million to $11.808 million, bed-wear by 2.93 percent from $803.259 million to $779.703 million, towels by 1.67 percent, from $241.307 million to $237.280 million, made-up articles (excluding towels, bedwear) by 8.97 percent, from $197.428 million to $179.722 million while the exports of all other textile materials went down by 1.48 percent, from $184.412 million to $181.690 million. Meanwhile, on year-on-year (YoY) basis, the textile goods' exports increased by 2.68 percent in September 2022 to $1,527.071 million against exports of $1,487.144 million in September 2021.

On month-on-month (MoM) basis, the textile goods' exports however declined by 3.07 percent in September 2022 when compared to the exports of $1,575.366 million in July 2022, according to the PBS data.

It is pertinent to mention here that the overall trade deficit witnessed a decline of 21.42 percent, with a considerable decline in imports and upward trend in exports during the first quarter (Q1) of the current fiscal year as compared to the corresponding period of last year.

The exports during July-September (2022-23) were recorded at $7.125 billion against the exports of $6.996 billion in July-Sept (2021-22), showing a growth of 1.84pc. On the other hand, the imports into the country decreased by 12.72 percent during the period under review by going down from $18.715 billion last year to $16.334 during the current year.

Source: nation.com.pk- Nov 16, 2022

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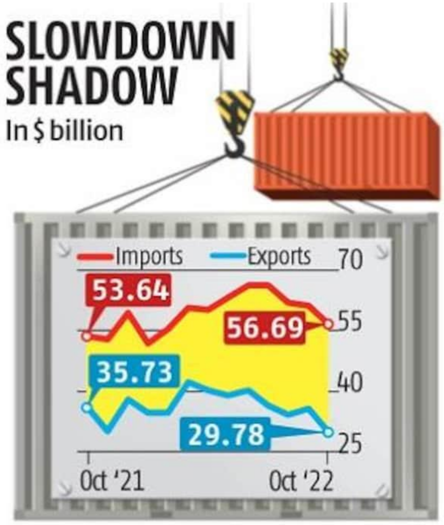
NATIONAL NEWS

India's exports contract for first time in 2 years; imports moderate

India's merchandise exports contracted for the first time in two years, in October, as slowing external demand amid recession fears in the West started impacting shipments from the country, further exacerbated by a higher number of holidays during the festival month.



Key commodities that showed export decline in Oct 2022 (in %)

Engineering goods	-21.26
Gems & jewellery	-21.56
Petroleum products	-11.28
Organic & inorganic chemicals	-16.44
Drugs & pharma	-9.24

Source: Department of Commerce

The exports declined 16.65 per cent in October to $29.78 billion, the data released by the commerce department showed on Tuesday. Imports, on the other hand, moderated to the lowest level in eight months, growing at 5.7 per cent to $56.69 billion last month. This resulted in a trade deficit of $26.91 billion, which remained above the $25-billion mark for a fifth straight month, according to the data.

It was in November 2020 when exports contracted last time, by 8.74 per cent. During October, 24 out of the 30 key export items showed contraction, while only six – electronic goods, rice, tea, oil seeds, oil meals, and tobacco — witnessed growth, the data showed. Contraction in key commodity groups such as engineering goods (-21.3 per cent), gems and jewellery (-21.6 per cent), chemicals (-16.4 per cent), and readymade garments (-21.2 per cent) dragged down the overall exports.

Non-petroleum, non-gems and jewellery exports -- considered to be core exports --declined by 20.4 per cent to $26.25 billion in October.

Commerce Secretary Sunil Barthwal pointed out that both global as well as domestic factors had had an impact on India's exports.

He also pointed out the "heavy impact" of the festival season.

"Tightening of monetary policy in most of the developed world – Europe, the US and elsewhere – puts less money in the hands of the public. Therefore, consumption slows down. These are going to be tough times for us. There will be a lot of headwinds for us, and this will impact our exports too," Barthwal told reporters on Tuesday.

"I looked at the data of the last two years and I found that during Diwali and pre-Diwali period, there is $4 billion less exports…We also need to look at the seasonality," he said, adding that export restrictions on items such as steel had also affected export growth.

Aditi Nayar, chief economist at ICRA, said a moderation in exports and imports on a sequential basis in October was driven by a larger number of holidays in the festival season.

On a cumulative basis, the growth in exports was 12.55 per cent during the first seven months of the financial year (April-October). In terms of value, exports had peaked at $42 billion in the month of March. After June, outbound shipments gradually started declining, with geopolitical tensions affecting demand.

A Sakthivel, president of the Federation of Indian Export Organisations (FIEO), said the coming months would be quite challenging unless both global economic growth and geopolitical situation improved drastically.

Rajani Sinha, chief economist at Care Ratings, said the pinch from slowing external demand was going to get more painful for the Indian economy in the months to come. "We could see a significant portion of India's GDP shaved by the widening of trade deficit," she cautioned.

Source: business-standard.com- Nov 15, 2022

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India-UK Free Trade Agreement expected to be closed by March 2023: Sources

India-UK Free Trade Agreement (FTA) is likely to be closed by March 2023, a commerce ministry source said on Tuesday.

India and its former colonial ruler have been for about 18 months negotiating the pact to boost trade and investments between the countries. The aim was to conclude the talks by Diwali, but somehow got delayed.

Whether these discussions will take place at the ministerial level or the secretarial level will soon be decided.

As per the source, the two countries are expected to finalise the FTA by March 2023.

Recently, Mayor of West Midlands Andy Street, a member of Britain's governing Conservative Party, said India should prioritise reducing tariffs on manufactured goods to benefit sectors like the automotive industry.

According to a government source, 14 chapters out of the 26 chapters of the trade deal have been finalised, and the visiting UK delegation will aim to agree on the finer aspects of the rest of the chapters.

Last month, Britain's new Prime Minister Rishi Sunak, the country's first leader of Indian descent, conveyed his hope of finalising the trade agreement during a call with his Indian counterpart Narendra Modi.

Source: economictimes.com- Nov 15, 2022

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Exporters to Russia in a fix as Sberbank levy raises cost

NEW DELHI : Indian exporters are witnessing an increase in the cost of shipping goods to Russia, with state-run Sberbank charging a 4% premium on settling these trades, multiple people aware of the matter said, at a time India's trade deficit with Russia has ballooned.

The move assumes significance since Sberbank, Russia's largest lender that remains out of Western sanctions, is among the few Russian banks that have agreed to settle trade in rupees. To address these concerns, in July, the Reserve Bank of India proposed a rupee settlement mechanism to trade with Russia; however, the mechanism is still to take effect.

Banks are unsure how rupee-rupee trade settlement works, said Arun Kumar Garodia, chairman of the Engineering Export Promotion Council of India (EEPC). "Some Russian banks, as well as Indian banks, have agreed to the settlement of trade in the rupee, but not all banks are on board. Their main bank is Sberbank, and they agreed to pay in rupees.

But now, exporters are in a fix as their website says an additional 4% premium will be charged, which makes trade more difficult," Garodia said, adding that state-run banks at least recognize exports to Russia, but private banks do not even issue a bank realization certificate (BRC), which acts as a confirmation that the exporter has received payment for the export of goods from the purchaser.

Without a smooth transaction mechanism and the fear of western sanctions, India's exports to Russia fell about 24% in the April-August period. At the same time, Russia has become one of India's top energy sources, surpassing even traditional suppliers Saudi Arabia and Iraq.

"Russians need hard currency, and that would pose a problem shifting to rupee trade," said Biswajit Dhar, professor at the Centre for Economic Studies and Planning, School of Social Sciences, Jawaharlal Nehru University. "Rupee holdings with the Russians have been high because of the trade deficit. Other than that, the exchange rate has been an issue, which has resulted in disagreements in the past, too. With the current trade imbalance, the rupee settlement mechanism is difficult. Moreover, the trade gap is rising because Indian exporters fear getting hit, dealing with sanctions-hit Russia," Dhar added.

Ajay Sahai, director general of the Federation of Indian Export Organisations (FIEO), said that some exporters reported the high conversion charges levied by some of the banks in the rupee-rouble trade. “However, such transactions are not under the new rupee payment mechanism notified by the RBI on 11 July 2022.

The RBI-designed mechanism only entails trade in the Indian rupee, thus eliminating the exchange risk. Since some banks have tied up with their counterparts in Russia with corresponding bank relationships and DGFT has clarified the availability of complete export benefits on such transactions, we expect the same to operationalize in a week or so," he said. Queries sent to the commerce ministry, Russian embassy in India and Sberbank remained unanswered till press time.

Currently, India-Russia trade happens through 12 or 13 small Russian banks, which are not on the sanctioned list, and they transfer the payments from the Russian side to the Indian exporters’ banks in dollars, an exporter said. He added that while public sector banks are crediting the payments to the exporters’ accounts and giving the BRC, private sector banks are not doing that.

Exporters settling trade in rupee terms will be able to avail of export incentives or duty rebates following amendments in the foreign trade policy made by the DGFT last week. The move is aimed at encouraging exporters to boost shipments to countries like Russia. Negotiations are also reportedly on with other countries, including Cuba and Sudan, to settle trade in rupee terms.

According to a study by FIEO, India’s shipments to Russia could grow by another $5 billion once the rupee settlement mechanism becomes functional.

The study further shows that farm products, food, pharma, and engineering equipment are the key areas where India could see a boost in exports to Russia. With supplies from the European Union nearly coming to a halt, especially for industrial and engineering goods, this could be a big opportunity for India, it added.

Source: livemint.com- Nov 15, 2022

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Tirupur exporters upbeat on biz prospects

After a gloomy phase of a steep decline in orders, exporters in Tirupur region, are seeing some favourable developments to get back to a positive growth curve.

Tirupur exporters are witnessing a surge in order enquiries from the US and Europe, which are likely to be converted into orders in the coming weeks. Added to this postive trend, the fall in cotton yarn prices to earlier levels is expected to improve their competitiveness.

"There are many favourable factors now. The clearance of stocks in shelves and warehouses in a gradual manner and anticipated likely better sales for Christmas and New Year are reasons for receiving orders. While currency is also favourable, the reduction of cotton yarn prices to the pre-surge period is a positive factor to enhance our competitiveness, K M Subramanian, President, Tiruppur Exporters' Association told Businessline.

Russia-Ukraine war led to poor sentiments and change in buying patterns in Europe and the US. As a consequence, the readymade garments export reported a monthly decline during July-October 2022. With finance and payment-related issues cropping up, exporters in the Tirupur cluster had sought a bailout package for the MSMEs. Recently, they also sought a hike in interest subsidy to 5 per cent under the interest equalisation scheme.

Even as they await government support, there appears to be a gradual recovery in order enquiries on the back of calibrated buying from developed markets. "Excess inventory and moderating retail sales are bringing pressure in the volume of orders. Retailers are expecting good sales during Thanksgiving and Christmas," said Prabhu Damodharan, Convenor, Indian Texpreneurs Federation.

Exporters are upbeat on a steady and gradual recovery from January 2023 across all product exports, including apparel and March 2023 quarter is likely to be a positive one.

Source: thehindubusinessline.com- Nov 15, 2022

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Mutual benefit: On India-U.S. cooperation on trade

Treasury Secretary Janet Yellen's visit to India last week highlights the renewed focus in the U.S. on strengthening economic ties with Asia's third-largest economy and 'one of America's indispensable partners'. The current global environment with its macroeconomic, trade and strategic challenges makes it all the more compelling for the world's two largest democracies to deepen their engagement in a way that is mutually beneficial.

In Delhi, Ms. Yellen emphasised that "the United States and India share an interest in strengthening our supply chains in a world where certain governments wield trade as a geopolitical weapon".

The U.S. was particularly keen to minimise its vulnerability to supply-chain disruptions and was therefore pursuing a strategy of 'friendshoring', with India, a key element in the plan to cut its reliance on 'countries that present geopolitical and security risks' to the supply chain.

Citing the Ukraine invasion and asserting that Moscow had 'weaponised' its supply of natural gas to Europe, as well as the challenges of China's dominance in the production of products such as solar panels, she underlined Washington's keenness to nurture local partners in developing countries to help mitigate over-concentration on select suppliers.

Ms. Yellen's visit also highlights the opportunities and challenges in the bilateral economic relationship, especially as the current dispensation in Washington moves to mend the ruptures caused by the Trump administration's antagonistic decisions on trade including the withdrawal of duty-free access to Indian exporters under the Generalized System of Preferences (GSP) as well as a 2020 decision to put India back on the U.S. Treasury's 'Monitoring List' over its currency practices.

The U.S. is still to reinstate the GSP benefit and exporters on both sides still face challenges, notwithstanding the fact that the U.S. is one of India's largest trading partners.

In fact, the International Trade Administration of the U.S. notes in its investment climate summary on India that "new protectionist measures, including strict enforcement and potential expansion of data localisation measures, increased tariffs... and Indian-specific standards not aligned with international standards effectively closed off producers from global supply chains and restricted the expansion in bilateral trade and investment".

With India set to take up the reins of the G-20 presidency, New Delhi has a chance to steer the global economic and trade agenda towards greater equity, including on climate change, especially given Ms. Yellen's vocal assurance of U.S. backing. Both sides stand much to gain by enhancing mutual trust and cooperation, particularly on trade.

Source: thehindu.com- Nov 15, 2022

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All Industries & Trade Forum appeals to PM Modi to impose import restriction on China and ASEAN countries to support MSMEs: Report

Import, Export, Trade for MSMEs: The trade body All Industries & Trade Forum (AITF) has urged Prime Minister Narendra Modi to impose import restrictions on China and Association of Southeast Asian Nations (ASEAN) as the imports may cross 20 lakh crore this year from the region which are proving detrimental to micro, small and medium enterprise (MSME) industries, said a report by the Knowledge and News Network (KNN).

MSMEs are facing frequent closures and they are likely to go bankrupt if the government does not impose import restrictions, stated AITF in a letter sent to PM Modi, last week.

The trade body has also appealed for an inquiry from the Central Bureau of Investigation (CBI) to unearth the alleged scam of huge imports from ASEAN and under invoicing from China, the report said.

Badish Jindal, National President, AITF said, "China is cleverly sending such goods to India through ASEAN and underdeveloped countries, this is the reason that India's import from ASEAN countries increased to Rs 5,07,968 crore by 2021-22 and surprisingly these countries exported Rs 3,05,117 crore to India in the first four months of the financial year 2022-23."

The letter further said that the Indian businessmen cannot import steel from China and the country can send only manufactured goods to India, referring to the Bureau of Indian Standards (BIS) condition imposed on steel.

"Today there is a difference of Rs 15,000 per ton in the steel price of India and China. Hence, due to such policies instead of raw materials China is dumping the finished products in India," said Jindal.

This lopsided dynamics have impacted Amritsar, Chandigarh, Chennai and Rajkot and thousands of units manufacturing all fasteners and screws and led them to closure, he added.

Meanwhile, India's trade deficit with China had increased to $72.9 billion in FY22 amid a 44 per cent surge in imports to $94.16 billion from the previous year.

Reportedly, in FY21, India's imports from China amounted to $65.21 billion, while exports in both FY21 and FY22 remained stagnant at about $25.2 billion, as per the official data.

Source: financialexpress.com- Nov 15, 2022

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India's domestic cotton demand set to dip 6% in 2022-23

India's domestic cotton demand for the 2022-23 season up to September is estimated to be lower by about 18 lakh bales (170 kg each) at 300 lakh bales or nearly 6 per cent less than last year's 318 lakh bales, the Cotton Association of India (CAI) has estimated. The association's Cotton Crop Committee meeting on Monday attributed the decline in domestic consumption to a reduction in operations of mills due to slack demand for yarn and cloth.

The cotton trade body said spinning mills operated at 40-60 per cent capacity in the first quarter, which may cause cotton consumption to drop in India for the year starting October 2022.

Closing stock up

"Looking at the unfavourable scenario, cotton exports have been estimated to be lower by 5 lakh bales to 30 lakh bales for the year against earlier estimate of 35 lakh bales," said Atul Ganatra, President, CAI. He said due to the reduction of 20 lakh bales in cotton consumption and reduction of five lakh bales in export, closing cotton stock as on September 30, 2023, will increase by 25 lakh bales to 57.89 lakh bales against earlier estimates of 32.89 lakh bales.

Last season, India exported 43 lakh bales of cotton. However, Ganatra said there was poor demand for yarn and clothing in the export market.

Spot ginned cotton prices for 29 mm variety quoted at ₹69,000 per candy (356 kg each) on Monday (November 14) against ₹66,700 a year ago. In the first month of the cotton season, the total cotton arrivals were estimated at 18.35 lakh bales, the CAI noted.

The association has revised its crop estimate for Gujarat, Haryana and Punjab. It has increased the crop estimate for Gujarat by 2.5 lakh bales, taking the total crop estimate for the largest grower to 93.5 lakh bales.

The production estimate for Haryana has been reduced by 2 lakh bales to 14.5 lakh bales, while the crop projection for Punjab has been reduced by 0.5 lakh bales to 4.5 lakh bales.

On import front, CAI has estimated cotton import of 12 lakh bales for the crop year 2022-23, indicating a dip of about 2 lakh bales, from 14 lakh bales estimated for the crop year 2021-22.

Source: thehindubusinessline.com- Nov 14, 2022

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Post RBI nod, 9 vostro accounts opened to facilitate overseas trade in rupee

The government said nine special vostro accounts have been opened with two Indian banks after permission from the Reserve Bank of India (RBI) to facilitate overseas trade in Indian rupee.

Sberbank and VTB Bank-the largest and second-largest banks of Russia respectively-are the first foreign lenders to receive approval after the RBI announced the guidelines for overseas trade in the rupee in July.

Another Russian bank Gazprom, which does not have its bank in India, has also opened this account with Kolkata-based UCO Bank.

"Nine accounts have been opened. One in UCO Bank, one in Sber, one in VTB and six with IndusInd Bank. These six are different Russian banks," commerce secretary Sunil Barthwal said while releasing trade data.

The move to open the special vostro accounts clears the deck for settlement of payments in rupee for India-Russia trade, enabling cross-border transactions in the Indian currency.

The RBI has allowed these special vostro accounts to invest the surplus balance in Indian government securities to help popularise the new arrangement.

On when the rupee trade with Russia may begin, Barthwal said there is a process involved in it and hopefully it would materialise soon.

Barthwal said he held a meeting with officials of UCO Bank, RBI and the Department for Financial Services and discussed ways to promote rupee trade.

Source: economictimes.com - Nov 16, 2022

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Nine Russian banks open special vostro accounts for trade in rupee

As many as nine special vostro accounts have been opened with two Indian banks after permission from the Reserve Bank of India to facilitate overseas trade in rupee, a top government official said on Tuesday.

Sberbank and VTB Bank -- the largest and second-largest banks of Russia, respectively -- are the first foreign lenders to receive the approval after the RBI announced the guidelines on overseas trade in the rupee in July.

Another Russian bank Gazprom - which does not have its bank in India - has also opened this account with Kolkata-based Uco Bank.

"Nine accounts have been opened. One in Uco Bank, one in Sber, one in VTB and 6 with IndusInd Bank. These six are different Russian banks," Commerce Secretary Sunil Barthwal told reporters in New Delhi.

The move to open the special vostro account clears the deck for settlement of payments in rupee for trade between India and Russia, enabling cross-border trade in the Indian currency, which the RBI is keen to promote.

The RBI has allowed the special vostro accounts to invest the surplus balance in Indian government securities to help popularise the new arrangement.

UCO Bank already has a vostro account-based facility in Iran. Gazprombank, or GPB, is a privately-owned Russian lender and the third-largest bank in the country by assets.

Last month, the RBI and finance ministry asked the top management of banks and representatives of trade bodies to push export and import transactions in the rupee. They want banks in India to connect with their foreign counterparts for opening special rupee vostro accounts to facilitate cross-border trade in the Indian currency rather than the popular mode of the US dollar.

On when the rupee trade will begin with Russia, the secretary said there is a process involved in it and hopefully it would materialise soon.

Barthwal said he held a meeting with officials of UCO Bank, RBI and the Department for Financial Services and discussed ways to promote rupee trade.

"We want to promote rupee trade because that is in the nation's interest. We would also not be looking unnecessarily for dollars. To the extent, rupee trade is possible, we will go for it," he added.

Source: economictimes.com - Nov 15, 2022

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Surat textile industry sees spurt in demand for caps, flags ahead assembly polls

Alpesh Gondaliya, a power loom weaver at the Hojiwala Estate in Surat's Sachin GIDC, had to cancel his Diwali trip to Goa because of the high demand for polyester fabric. He has received orders to weave about 10 lakh metres of ultra-polyester fabric—a type of satin fabric used for election material and tricolors– for the upcoming Gujarat and Himachal Pradesh Assembly elections.

"This fabric will be used by the textile processing factories to print about 1.5 crore pieces of election campaign merchandise, including caps, scarves and flags for various political parties," Gondaliya told HT.

The elections in Gujarat and Himachal Pradesh have turned into money-spinners for weavers in the country's largest man-made fabric (MMF) hub of Surat.

Scarves, headgear, and party flags are in high demand for the upcoming Assembly elections in Gujarat and Himachal Pradesh, with sales expected to reach between ₹350 and ₹400 crore. In comparison, their sales in 2017 were estimated at ₹200-250 crore.
Ahead of the Diwali festive season, there was a lull in the demand for polyester fabric in the country. Now with the dates for assembly elections declared, there is a big rush in Surat.

The powerloom weavers in Surat have benefited greatly from the three-cornered contest between the Bharatiya Janata Party (BJP), the Aam Aadmi Party (AAP) and the Congress in Gujarat and Himachal Pradesh, according to an official in the textile industry.

"We have received orders from the BJP for delivering 30 lakh saffron-coloured headgear, 25 lakh scarves and about 20 lakh flags. The highest orders, about 60-65% of them, are from the BJP," said Arvind Gadia, an election campaign material provider.

He said that the entry of the AAP has also made a big difference this time. "The AAP has ordered 5 lakh flags and 15 lakh caps and scarves. The rise in demand is entirely dependent on the number of star campaigners from political parties addressing election rallies in Gujarat. When compared to the 2017 elections, business is overwhelming this time," he added.

There are many other power loom weavers, like Golwala, who are working tirelessly to meet the deadline for delivering campaign fabric to various political parties. “In the last fortnight, we have received supply orders of 6 lakh saffron-coloured headgear and 5 lakh scarves from the BJP,” said Sanjay Saraogi, director of the renowned saree company, Laxmipati Sarees.

“From the time Prime Minister Narendra Modi started holding rallies and public gatherings in Gujarat after the BJP’s win in five states including Uttar Pradesh, we have received massive orders for the delivery of scarves and saffron-coloured headgear. The cap or headgear have become an instant hit in Gujarat,” he added.

Saraogi said while creating the headgear, introduced by PM Modi in March 2022, extreme precision is required. The BJP’s central leadership has introduced new caps to all of its legislators and party members.

Power loom weavers claim that polyester fabric is superior to cotton fabric in terms of durability and cost effectiveness for election campaign materials. Most political parties opt for polyester over cotton during election season.

Surat’s MMF sector has a total installed capacity of 60,000 waterjet machines, 6.15 lakh shuttle looms, 20,000 Rapier machines, and 2,500 Airjet machines. The industry weaves about 4 crore metres of fabric per day. The MMF sector in Surat contributes about 45% of the MMF fabric demand in the country and the annual turnover is pegged at ₹60,000 crore.

Ashish Gujarati, president of the Pandesara Weavers Cooperative Society, said, “The lacklustre demand this year meant that the weavers had a relatively slow Diwali season. But the elections have been a boon to the textile industry’s bottom line.”

In preparation for the Independence Day celebrations, PM Modi initiated the Azadi Ka Amrit Mahotsav and the ‘Har Ghar Tiranga’ campaign, both of which required the textile industry in Surat to produce approximately 10 crore tricolours in 30 days. Large textile manufacturers in Surat, such as Laxmipati Sarees and Pratibha Dyeing and Printing Mills, etc., were inundated with orders for the tricolours. The polyester fabric utilised to make the tricolours was estimated to be about 5 crore metres.

"Surat has roughly 380 textile process houses," said Jitu Vakharia, president of the South Gujarat Textile Processors Association (SGTPA). The daily turnover is estimated to be ₹150 crore. Due to low demand, the process houses were operating at half capacity before the Diwali season. However, the elections in Gujarat and Himachal Pradesh have given the sector a significant boost."

"For the power loom weavers, elections in Gujarat and Himachal Pradesh are like Diwali," said Mayur Golwala, a textile entrepreneur who is producing 10 lakh caps and 5 lakh scarves for the BJP, the Congress, and the AAP. "This Diwali was drab, but the elections have given us fresh hope. The majority of orders have come from the political parties for the Gujarat elections," he added.

Source: hindustantimes.com - Nov 14, 2022

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Amazon Launches Cross-Border Logistics Services 'SEND' For Indian Exporters

Amazon India currently has 1 Lakh+ exporters across India on the Amazon Global Selling program with customers across 200+ countries

It has slashed the subscription fee for the first three months from $120 per month to just $1 for the three months

The ecommerce giant aims to launch new Indian products in the US and the UK markets and mark a 5X year-on-year jump in its sales

Amazon India has launched SEND, its cross-border logistics platform, allowing end-to-end support to Indian exporters. The platform is currently available for exporters on Amazon Global Selling that ships air parcels from India to Amazon's fulfilment centres in the US.

Amazon plans to expand SEND to additional destinations and shipping modes soon. Services offered under this new vertical will include information about multiple carriers, negotiating rates and service levels, compliance and credit checks, shipment tracking and various payment modes.

According to a statement from Amazon, sellers can book, ship and track their packages from within their Amazon seller central dashboard and set up auto payments via their disbursement account.

The launch of Amazon's SEND comes close to the annual Black Friday and Cyber Monday (BFCM) sales. And it opens an opportunity galore to several Indian exporters who can sell their products on Amazon's global websites, especially categories including home and kitchen, toys, personal care, fashion and apparel, stationary, furniture and more.

The ecommerce giant has also slashed the subscription fee of Amazon's SEND platform for new exporters joining its Global Selling program for the first three months from $120 per month to just $1 for the three months.

Source: inc42.com - Nov 15, 2022

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Karur files applications for 43 mini textiles

Tamil Nadu will have nearly 100 mini-textile parks. It had so far received over 65 applications, including 43 from Karur district. There are five applications from Coimbatore district. The districts collectors have been involved in scrutinising the applications.

Minister for Handlooms and Textiles, R. Gandhi stated that the previous Government launched the mini textile park scheme in 2016. But, there were no takers as the government subsidy of Rs. 2.5 crore was given only for the development of common infrastructure in the parks. Later there was a modification in this condition and the subsidy could be used for any purpose including plant and machinery.

Parks should come up on two acres and have minimum of three units each. Technical textile units could also be built in the parks. The textile department is creating awareness for this scheme.

Tamil Nadu would host a two-day technical textiles conference on 25th-26th November as the state is focusing on this segment.

Source: apparelresources.com - Nov 15, 2022

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Amazon India likely to axe jobs amid global layoffs

Amazon is likely to undertake a layoff exercise in India that could potentially impact at least a few hundred jobs across divisions as part of a global plan to deal with slowing sales, multiple people aware of the matter said.

The Jeff Bezos-founded tech major – which operates various businesses in India including ecommerce, data centre under Amazon Web Services, and Prime Video – is expected to let go 10,000 corporate and technology employees, as reported by global media on Monday.

While the exact number of affected employees in India is not yet finalised, people cited above said the cuts could go 'deeper' than a few hundred given Amazon's sizeable workforce here, estimated at 100,000.

"The retrenchment is happening here (India) and discussions are underway on the numbers," one of them said. "There is a sense it might be relatively higher as compared to peers like Meta-owned Facebook and others where India was not affected in a big way."

In May, the local arm of the Seattle-based firm had said it generated a total employment of over 1.1 million, comprising indirect and contract jobs. Amazon India, besides its key offices in Bengaluru, also has employees working from coworking spaces across Indian cities.

An executive working at a recruitment services firm in Bengaluru said hundreds of employees, especially in the shared services, back-office and retail operations, are under threat from the Amazon layoff exercise in the country.

An emailed query sent to Amazon India did not elicit a response till press time Tuesday.

The layoffs would be across engineering and other departments, similar to the global process followed by Amazon, said the person quoted above.

The New York Times had first reported on Monday that Amazon would start the downsizing this week, targeting corporate and technology jobs. The exercise is expected to impact about 3% of its white-collar employees.

In India, the exercise may impact a relatively smaller part of its total workforce in the country.

Big Tech job cuts

Amazon's layoff exercise is in line with big technology firms trimming their workforce amid a grim macroeconomic environment, taking a cautious approach as the Covid-induced bump up for online businesses wanes and concerns about a global economic downturn grow.

For Amazon, this would be the largest job cut in the US, similar to Facebook-parent Meta which announced cutting 11,000 jobs last week. Twitter also slashed its team by half after tech billionaire Elon Musk took over the company.

Singapore ecommerce firm Shopee parent also is cutting about 7,000 or 10% of its workforce. Shopee had made an abrupt exit from India in March this year.

Aditya Mishra, chief executive of CIEL HR Services, said the tech job cuts will impact India-based global capability centres of US firms barring a few rare exceptions in the coming weeks.

Kamal Karanth, cofounder at specialist staffing firm Xpheno, said, "While a hiring freeze has been operational at Amazon for a quarter now, the mandate to reallocate workforce among verticals and projects was a recent addition. Functions, projects and verticals that had generated sufficient slack to deal with the buoyancy are now in focus for the resizing."

Source: economictimes.com - Nov 16, 2022

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