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SAYING NO TO CHILD LABOUR

INTERNATIONAL NEWS

China approves trade demonstration parks with Indonesia, Philippines

China's State Council has approved setting up of a China-Indonesia Joint Demonstration Zone for economic innovative development in Fuzhou in the eastern Fujian province, according to a recent official circular, which also approved establishment of a similar zone with Philippines in Zhangzhou in the same province, the government announced.

The circular urged the local governments to strengthen leadership and management of the zones with guidance from the country's chief administrative authority.

The circular urged the zones to strengthen strategic cooperation, align with high-standard international economic and trade rules and enhance institutional and mechanisms innovation to deepen economic and bilateral trade collaboration, advancing efficient and coordinated industrial development, an official release said.

The zone should explore the international division of labour and cooperation mode integrating the industrial chain, supply chain and value chain, building a new arena for ASEAN countries' economic cooperation and communication, the circular added.

Source: fibre2fashion.com- Jan 22, 2023

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US retail sales fall for 2nd-straight month in Dec 2022

US shoppers spent less than what economists expected in December, with overall retail sales falling for a second month in a row, according to S&P Global Market Intelligence.

Retail and food services sales fell by 1.1 per cent during the month, according to US Census Bureau data. Economists, however, expected that figure to fall by 0.8 per cent.

US retail and food services sales came in at $677.1 billion in December, according to the seasonally adjusted preliminary estimate from the Census Bureau. The decline comes after November sales fell by a revised 1 per cent, a bigger drop than the negative 0.6 per cent originally reported.

Sales at furniture and home furnishing stores dropped by 2.5 per cent in December, the biggest monthly decline in all retail categories excluding gas stations.

Source: fibre2fashion.com- Jan 23, 2023

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Sri Lanka's fabric imports from India jump 50%; Chinese supply stable

Indian fabric is gaining ground in the Sri Lankan textile market as imports from India are increasing in the island country compared to Chinese supplies. Sri Lanka's fabric imports from India are witnessing an upward trend as they jumped by more than fifty per cent in four years, but its import from China remained almost stable during the same period.

Sri Lanka's fabric imports from India increased to $565.848 million in 2021 from $374.214 million in 2017, according to Fibre2Fashion's market insight tool TexPro.

The inbound shipment had amounted to $426.046 million in 2018 and $485.160 million in 2019, before declining to $410.881 million in 2020 due to the pandemic. However, it bounced back to $565.848 million in 2021. Sri Lanka imported fabric worth $556.921 million during January-November 2022. The total imports for 2022 are likely to surpass the shipment of 2021.

Fabric imports from China to Sri Lanka were recorded at $888.772 million in 2017 which inched up to $897.101 million in 2021. The shipment increased by just 1 per cent in four years. The imports amounted to $892.740 million in 2018 and $944.202 million in 2019. It came down to $720.823 million in 2020 but increased to $897.101 million in 2021. Sri Lanka imported fabric worth $829.451 million in the first eleven months of 2022, as per data obtained from TexPro.

Sri Lanka's fabric imports totalled $2.141 billion in the first eleven months of 2022. China and India were the top suppliers with total contribution of more than 64 per cent. The imports from China grabbed a share of 38.73 per cent, while India's share was 26.01 per cent of the total.

Source: fibre2fashion.com- Jan 23, 2023

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German producer prices of industrial products rises 21.6% YoY in Dec

Germany's index of producer prices for industrial products in December last year increased by 21.6 per cent over the figure in the same month in 2021, according to the Federal Statistical Office (Destatis), which recently said the price increase on producer level slowed down for the third time in succession. The year-on-year (YoY) rise was 28.2 per cent in n November and 34.5 per cent in October.

The overall index decreased by 0.4 per cent in December last year over the November figure.

Energy price hike was the main reason for the development, followed by significant price rises for consumer, intermediate and capital goods.

Energy prices as a whole were up by 41.9 per cent in December last year compared to the figure in the same month in 2021. Compared with the figure in November 2022, energy prices fell by 1 per cent in the month.

The price for electricity across all customer groups rose by 46.8 per cent during the month compared to December 2021.

Source: fibre2fashion.com- Jan 22, 2023

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Turkish central bank maintains policy rate at 9%

Turkiye's monetary policy committee (MPC) recently decided to keep the policy rate (one-week repo auction rate) constant at 9 per cent. A strong growth was observed in the first three quarters of 2022. Indicators for 2022's last quarter show a slowdown in growth due to the weakening foreign demand is compensated by the relatively strong course in domestic demand.

The effects of foreign demand-based pressures observed in the manufacturing industry on domestic demand and supply capacity currently remain limited, the country's central bank said in a release.

Compared to peer economies, job creation has been stronger. Considering the sectors that contribute to the employment increase, it is observed that the growth dynamics are supported by structural gains.

Source: fibre2fashion.com- Jan 22, 2023

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Global denim markets continues to stride ahead post-pandemic as demand grows

After two difficult Covid years of dressing down days, the fashion resilience of denim is being felt once agin. Every year, over two billion jeans are sold globally and apparel manufacturers are now focussed on cashing onto this lucrative segment in post-pandemic days.

It is expected by 2023, the size of the market for denim jeans fabrics will reach a stupendous 4,541 million meters as demand sores globally. In the five years between 2018-23 the market is expanding at 4.89 per cent annually from 3,576 million meters in 2018. Denim is an apparel segment that shows its true potential when it comes to export diversification with other apparel.

Analysts say, Christmas and New Year holiday season has seen a major revival of fashion resilience in the US markets, which will improve the entire global denim market. Global jeans market is expected to have a CAGR of 6.7 per cent during the forecast period from 2020 to 2025.

Focus on new business strategies and markets

Rome was not built in a day and thus the bigger denim manufacturers will need to adapt new business strategies, such as geographical and capacity expansion, M&A, and R&D, to boost sales. They need to strategically focus on establishing new market opportunities by entering newer and niche markets in the garment industry that are still in their developmental phase.

As per an Apparel Resources report, Indian domestic market for denim has been maintaining an average CAGR of 8-9 per cent for few years and is expected to reach the $12.27 billion by 2028. Unlike Europe, the US and other western countries where consumption per person average jeans is very high, in India it is far lesser with consumption of around 0.5 jeans per person as traditional dressing is more popular in most geographical segments.

To even reach the potential of one pair of jeans per person will require another 700 million pairs of jeans to be sold annually and this showcases the massive growth opportunities in the country. No wonder, global brands are rapidly increasing their presence in metros and small cities.

US leads the way

The US is currently the largest market, with India likely to experience the most growth, followed by China and Latin America. It is expected the US market will be around 4,313.56 million meters in 2022 and 4,541.05 million meters in 2023 as between 2018 and 2023, the average annual growth is expected to be 4.89 per cent. India is striding ahead as despite being smaller than China, Latin America and the US its market is expected to grow at a fast rate arriving at 419.26 million meters in 2023 from 228.39 million meters in 2016.

In the global denim market China, Bangladesh, Pakistan and India are key denim-producing countries. In denim export segment in 2021-22, Bangladesh with over 40 mills producing 80 million yards of denim fabrics remains at the top position in the US markets. This was followed by Mexico and Pakistan as the third largest supplier. Vietnam was in fourth position after it shipped denim items worth $348.64 million, up 25.12 per cent year-on-year.

Denim today has come a long way in the fashion segment as they appeal to everyone with different varieties of stretch to bio-polished, innovative colours from vegetable-based, indigo to sulphur dyed, fibre blends with the most recent being softer, lighter, comfortable silk denim for all seasons and a variety of textures, drapes and styles focussed on the athleisure and wellness current trend. Denim is not just a fashion apparel, it's an everyday symbol of style and a daily essential and a must-have for almost everyone.

Source: fashionatingworld.com- Jan 20, 2023

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Turkey to host Istanbul Fashion Connection

Istanbul Fashion Connection will be held in Turkey, February 8 to 11, 2023.

Over 600 exhibitors will give an overview of the new collections in the areas of women'swear, men'swear, children's wear, denim, sportswear, night dresses, wedding dresses, lingerie, socks, leather and furs. Brands use the trade fair as a platform to expand their international customer network.

The event is an essential platform to meet new buyers and business partners. More than 25,000 visitors from over 100 nations from all sales channels, from department stores and boutiques to online platforms from Europe, the Central Asian markets and the Arabian Gulf region, in addition to buyers from Turkey, are expected.

The event will highlight the creativity of the Turkish fashion scene and provide access to new sales markets while at the same time connecting potential production partners to optimize the supply chain.

The supporting program will offer top-class seminars and lectures. The special focus is on the topic of sustainability. Turkish design is increasingly gaining international recognition. Turkey has a lively and creative design scene and high-quality fashion brands that are redefining the image of made in Turkey. The manufacturing sector is an important branch of the economy for the industry.

Source: fashionatingworld.com- Jan 22, 2023

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Bangladesh-Turkiye Business Forum to synergise textile sector

Bangladesh-Turkiye Business Forum (BTBF) launched formally may synergise the textile sector of the 2 countries. The emerging textile powers can utilise mutual expertise to expand their footprint in the global market. Presently, Turkiye is a net importing country for apparel and yarn in bilateral trade with Bangladesh, while it exports fibre and fabric to it.

The countries have launched BTBF to facilitate and increase bilateral trade and investments. Both countries are major textile exporters. Turkiye is more focused on the European market, while Bangladesh is striving to become the textile hub by building a large production capacity. Both countries can develop their capacities to increase their global penetration by utilising mutual expertise.

Turkiye's imports of apparel from Bangladesh jumped to $335.548 million in the first eleven months of 2022 against an inbound shipment of $190.726 million in 2021. Turkiye's apparel exports to Bangladesh were merely $0.235 million in the first eleven months of 2022 against $124.947 million in 2021, according to Fibre2Fashion's market insight tool TexPro.

As for the yarn imports of Turkiye from Bangladesh, they amounted to $208.962 million in January-November 2022. The country had imported yarn worth $248.421 million in 2021. While Turkiye's yarn exports stood at $22.315 million in the first eleven months of 2022 against $70.692 million during 2021. The outbound trade rose multifold in 2021 from just $3.614 million in 2020, as per TexPro.

Turkiye exported fabric worth $25.649 million in the first eleven months of 2022 against a shipment of $37.110 million in 2021. It imported fabric worth $2.291 million in January-November 2022 from Bangladesh. The European country's fibre exports to Bangladesh doubled to $45.583 million in the first eleven months of 2022 against $22.643 million in 2021. Its imports of fibre from Bangladesh were negligible.

Source: fibre2fashion.com - Jan 22, 2023

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Gas price hike in Bangladesh matter of concern for industry

The latest gas price hike in Bangladesh has troubled industries, which will try to shift the burden onto consumers by raising prices, and that in turn will affect their global competitiveness. Businesses have expressed concern over the hike, to be effective next month. Exports and domestic sales both will decline and foreign exchange reserves will get hit.

Sustaining will be a big problem for the industry as the price hike, said Anwar-ul Alam Chowdhury Parvez, president of the Bangladesh Chamber of Industries.

The domestic market of basic industries will weaken as well and unemployment will rise while banks will have to deal with defaulters, he said.

The hike will double production costs, said Mohammad Ali Khokon, president of Bangladesh Textile Mills Association. "The government has increased gas prices but it has not made it clear whether we will get uninterrupted gas supply," he said, adding that textile millers would now suffer more.

The government needs to address corruption and irregularities in the energy sector instead of increasing gas prices in the name of subsidy withdrawal, he was quoted as saying by a domestic media outlet.

Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association, called for a more reasonable hike.

Source: fibre2fashion.com - Jan 22, 2023

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Pakistan: Weekly Cotton Review: Prices slightly down amid low buying

Cotton prices went slightly down during previous week in local market. There was a boom in international cotton market due to Chinese buying. A shortfall of 1 million bales is reported for India.

According to the All Pakistan Textile Mills Association (APTMA) 150 textile mills have been closed in the country. There is a decrease of 17% in textile products. Pakistani exporters; however, got a positive response in Heimtextil exhibition held in Germany. Pakistan Yarn Merchants Association has demanded that L/C facility for import of textile raw material should be restored, immediately.

In the domestic cotton market, the price of cotton saw a relative decline during the last week as textile spinning mills also refrained from buying high-priced cotton due to which the business volume remained very low.

Textile spinners' banks are unable to open L/Cs of imported cotton due to which the spinners started panic buying during the last two weeks but because of to a sharp price increase they restricted the purchase due to which the price of cotton which was Rs 21,000 to 22,000 per maund decreased by Rs.1,000 to Rs.2,000 per maund to reach Rs.20,000 per maund.

During the last two weeks, the price of cotton had increased by Rs 4,000 to Rs 5,000 per maund. There is little room for more growth. According to APTMA, currently around 150 textile spinning mills have been closed, and if the situation continues, more mills will be closed also.

The country will have to import cotton in a large quantity after the alarming decline in cotton production. Due to the issues in opening L/Cs in the country it is first time in the textile history of the country that APTMA wrote a letter to the US Embassy and requested to take up the issue of loan approval for cotton import before the American government.

In a letter written to US Ambassador Donald Bloom, APTMA urged him to take up the case with the US government for sanctioning the loan.

APTMA has requested a soft loan of $2 billion to import 3.5 million bales. The cotton will be imported from the US.

Government of Pakistan is moving from country to country for assistance, but this is the first time that the APTMA, the largest organization of the country, has also requested financial assistance from the United States, which is beyond comprehension. According to reports, some export orders have been signed in Heimtextil exhibition.

In Sindh province, the price of cotton was in between Rs 16,500 to Rs 20,000 per maund after a decrease of Rs 1,000 per maund. The price of Phutti was Rs 6,000-9,500 per 40 kg. In Punjab, the price of cotton fell by Rs 1,000 to Rs 2,000 per maund and was in between Rs 19,000 to Rs 20,000 per maund. The price of Phutti was Rs 6,500 to Rs 10,000 per 40 kg. The prices of Banola, Khal and oil prices remained stable.

The spot rate committee of the Karachi Cotton Association kept the spot rate unchanged at Rs 20,000 per maund.

Naseem Usman, chairman of Karachi Cotton Brokers Forum, said that the international cotton markets were generally booming. New York cotton's rate of Future Trading for the month of March is around 87 US cents per pound, after fluctuating.

In India, there was a slight increase in cotton prices due to which the Cotton Association of India indicated a decrease of about 9 lakh bales in cotton production, which is 3.30 million bales after decreasing. The bullish factor in Afghan cotton was dominant due to the purchase of Pakistani mills.

Meanwhile, Pakistan's textile exports are expected to improve after receiving export orders worth $500 million from the global textile exhibition Heimtextil held in Germany. However, it is the need of the hour that government should overcome the shortage of raw materials and increase the prices of yarn. It should resolve the issues faced by the textile industry so that refunds of over Rs 150 billion can be paid to the exporters as soon as possible in order to reduce unemployment and to deal with economic depression.

Pakistan's textile exports are expected to improve with $500 million worth of export orders received from the 'Heimtextil'. However, it is a need of hour that the government should overcome the shortage of raw materials and increase yarn prices.

Pakistan Textile Exporters Association (PTEA) Pattern Chief Khurram Mukhtar, while talking to media, has said that more than 250 textile companies in Pakistan participated in the exhibition and Pakistan is expected to get export orders worth $500 million in the next three to four months.

He said that the government should take advantage of this opportunity to make the refunds as soon as possible to eliminate the shortage of working capital faced by the exporters. According to Khurram Mukhtar, the government issued refunds of Rs 25.9 billion last week but refunds of Rs 50 billion are still pending. He added that Rs 150 billion deferred refunds of Sales Tax, Income Tax, DLTL, TUF, and Mark-up Support Scheme are still pending.

Meanwhile, the textile sector is going through a severe crisis due to skyrocketing energy prices as 150 textile mills have already been shut down in the last five months.

According to the details, a total of 150 spinning and weaving textile mills in the country went closed in the last five months due to an increase in the energy crisis in Pakistan, which results in the unemployment of at least 2 million people.

While criticizing the economic strategy of the government, the mill owners said, “Production cost of the industry has increased by 100% under the current government.”

They complained about the increase in energy prices, saying “in the previous govt era, the electricity rates were Rs18 per unit, which have now increased to Rs 36, petrol rate is hiked from Rs 150 to Rs 245 per litre.

The mill owners said that gas is not available to the industries; letters to credit (LCs) are not being opened for import due to which raw materials are not available for the textile industry.

The government has to take immediate notice of the situation; otherwise, more textile mills will be closed down.

Moreover, according to APTMA, textile industry is running out of cotton due to which there is a risk of closure of mills. Exporters are returning orders due to uncertainty and availability of raw material as per their need.

Pakistan this year suffers not only due to lower exports, but there will also be a permanent shift of orders to other countries and it will be difficult to take back these orders in future.

A dollar spent on cotton imports generates $3 in exports. The estimated cost of ten million bales of cotton at today's prices is $4 billion, which would generate at least $12 billion in exports. The country's textile sector used 15 million bales last year, indicating that imports would need to be around 10 million bales to maintain exports at last year's level.

Pakistan's economy is largely dependent on textile exports for foreign exchange and employment. A troubled international economic situation and devastating floods have pushed the country's economy to the brink of collapse.

APTMA says that since banks are willing to extend credit to only small and limited lines of credit for companies that are direct exporters, it excludes 80 percent of the core industry and ignores the fragmented structure of the industry. Raw material (cotton) is not available to the entire sector.

Further, in December 2022, exports of textiles and clothing decreased by 16.47% to $1.35 billion, which was $1.62 billion during the same month in 2021.

According to the details, there has been a decline in total exports for four consecutive months, this decline shows that the government is facing difficulties in achieving the export target during the current financial year, as a result of which the pressure is mounting on country's foreign exchange reserves.

The continuous decline in textile and clothing exports since the last four months is due to increase in energy costs, delay in refunds and depreciation of rupee.

Exporters believe that the main reason for the decline in exports is exchange rate instability. Besides, due to the government's removal of duty drawback on local taxes and levies, the export sector is facing cash flow problems.

However, no statement has been issued by the Ministry of Commerce regarding the reason for the continuous decrease in exports, since Commerce Minister Naveed Qamar has been making continuous foreign visits after assuming the office of the Ministry.

According to the data of Pakistan Bureau of Statistics, in December 2022, exports of ready-made garments recorded a negative growth of 7.92 percent in terms of value, but its volume increased by 50.5 percent, while exports of knitwear in terms of value recorded a negative growth of 7.92 percent. A decrease of 19.54 percent and an increase of 24 percent in quantity, bedwear recorded a decrease of 17.77 percent in terms of value and 22.74 percent in terms of value.

Apart from this, a decrease of 14.05% in terms of value and 13.09% in quantity was recorded in exports of towels, while a decrease of 13.97% in exports of cotton fabrics and 19.42% in terms of value was recorded.

Moreover, a decrease of 60.71% in the exports of cotton yarn and 19.09% decrease in other yarns except cotton yarn were recorded, while there was a decrease of 49.92% in the exports of made-ups other than towels and a decrease of 26.04% in export of tents, canvas and tents were recorded.

Source: brecorder.com- Jan 23, 2023

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NATIONAL NEWS

As world economy looks beyond China, India steps up as a new powerhouse

India's economic transformation is kicking into high gear.

Global manufacturers are looking beyond China, with Prime Minister Narendra Modi stepping up to seize the moment. The government is spending nearly 20% of its budget this fiscal year on capital investments, the most in at least a decade.

Modi is closer than any predecessor to being able to claim that the nation — which may have just passed China as the world's most populous — is finally meeting its economic potential. To get there, he'll have to wrestle with the drawbacks of its exceptional scale: the remnants of the red tape and corruption that has slowed India's rise, and the stark inequality that defines the democracy of 1.4 billion people.

"India is on the cusp of huge change," said Nandan Nilekani, a founder of Infosys Ltd., one of the nation's largest technology services companies. India has quickly created capacity to support tens of thousands of startups, a few billion smartphones and data rates that rank among the lowest in the world, he said.

US-China rivalry is providing a tailwind. India and Vietnam will be the big beneficiaries as companies move toward a "China-plus-one" strategy, supply-chain analysts say. Apple Inc.'s three key Taiwanese suppliers have won incentives from Modi's government to boost smartphone production and exports. Shipments more than doubled to top $2.5 billion of iPhones from April through December.

As powerhouses from China to Germany contend with slowing growth, the stakes are rising to find another nation equipped to propel the global economy. Morgan Stanley predicts that India will drive a fifth of world expansion this decade, positioning the nation as one of only three that can generate more than $400 billion in annual output growth.

The thesis is reflected in global equity markets, with India's Sensex index trading last quarter at the highest in a decade versus the S&P 500. Relative to other emerging markets, Indian stocks have never been higher.

"People are looking at which other place over the next decade is going to be a great place to put capital," Nilekani said. "I haven't seen this kind of interest in India for 15 years."

Of course, Modi's manufacturing aspirations are not new. His "Make in India" campaign kicked off in 2014, seeking to emulate China and the tigers of East Asia — from Singapore to South Korea and Taiwan — that climbed into the ranks of rich economies by filling factories with workers making products the world wanted to buy.

Boosting manufacturing to 25% of GDP, a key metric for the program, has proven elusive. The ratio rose to 17.4% in 2020 compared with 15.3% in 2000, according to data from McKinsey. Vietnam's factory sector more than doubled its share of GDP during the same period.

But as this year's president of the Group of 20 nations, India has momentum. An external strategy built on multiple alliances and unapologetic self-interest has seen the nation boost purchases of Russian oil by 33 times, ignoring pressure from Washington. There are even some signs of pragmatism when it comes to the tense relationship with neighboring China — more than a dozen of Apple's Chinese suppliers are receiving initial clearance from New Delhi to expand operations, underpinning the tech giant's efforts to divert production to India.

In a multipolar world, India's embrace of a middle path has bolstered its image as a nation "with which everyone is interested in having a good relationship," said Kenneth Juster, a former US ambassador to India.

"India is positioning itself, and using its presidency of the G-20 to do so, as a bridge between east and west, and north and south," he said. "A lot of companies feel that given its size, given its young population, given its inevitable force in international affairs, India is a place where they should be."

In an August speech commemorating 75 years since India's independence, Modi urged the nation to settle for nothing less than to "dominate the world."

"We must resolve to make India a developed nation in the next 25 years," he said at the Red Fort in New Delhi, occasionally swatting the air with clenched fists. Helicopters showered the crowd with flower petals before he spoke.

Bloomberg Economics expects the nation's per capita income to pull even with some developed countries in that span, putting Modi's goal within reach. Potential GDP growth will gradually peak at about 8.5% early next decade, propelled by corporate tax cuts, incentives for manufacturers and privatization of public assets, according to BE. The Centre for Economics and Business Research predicts India to become a $10 trillion economy by 2035.

Battling Bureaucracy

To meet his target, Modi will have to overcome the legacy of India's early years as an independent nation, which included decades of squandered economic opportunity.

After Britain's partition of the subcontinent in 1947 and the religious violence that followed, India turned inward. By the 1970s, much of the economy was nationalized and a formidable bureaucracy shut out the world. A labyrinthine system called the "License Raj" dictated everything from car models to what types of bread were allowed in stores.

In 1991, a balance of payments crisis forced change. Facing plunging foreign exchange reserves and pressure from the International Monetary Fund, then-Finance Minister Manmohan Singh endorsed devaluing the rupee and opening up to foreign investment.

The reforms were a hard sell. But by the end of the decade, changes to India's economic landscape were undeniable. GDP close to doubled. International brands from McDonald's to Microsoft offered new choices. In the 2000s, India notched several years of growth near 8%.

When Modi rose to power in 2014, campaigning on "minimum government, maximum governance," voters saw an opportunity to build on liberalization, hoping for "Ronald Reagan on a white horse," as a prominent economist put it.

India’s new prime minister, the son of a tea seller, promised to clear the remaining cobwebs from the License Raj, including a culture of paying bribes for access to public services. Modi styled himself as a political outsider with managerial panache, poised to apply his experience running Gujarat, one of the nation’s most industrialized states, to propel India toward top-down development, à la China.

He can claim significant progress, especially on infrastructure. Since Modi's election win in 2014, India’s national highway network grew more than 50% longer, domestic air passengers roughly doubled and a vast biometric system helped several hundred million people open bank accounts for the first time.

Click here for more details

Source: business-standard.com- Jan 23, 2023

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India FTA can be clinched this year, but no more visa offers: UK minister

The India-UK free trade agreement (FTA) is expected to be clinched this year but it won't involve any boost of free movement visa offers for Indians, British trade minister in charge of the negotiations has said.

Kemi Badenoch, who was in New Delhi last month to kick off the sixth round of FTA talks with Commerce and Industry Minister Piyush Goyal, said that former prime minister Boris Johnson's "deal by Diwali" deadline last year was not feasible and had to be changed.

In an interview with The Times' recently, the UK Secretary of State for Trade also ruled out any major similarities between the FTA the UK had struck with Australia one of the first post-Brexit trade deals and that with India.

"We left the EU (European Union) because we didn't believe in free movement, we didn't think it was working. This is not a deal that's negotiating some kind of free movement with India, Badenoch told the newspaper, with reference to more visa offers.

The minister indicated a willingness to make concessions on issues like business mobility, but ruled out the prospect of Indians getting the same kind of deal as with Australia which allows under-35s to live and work in the UK for three years.

The reciprocal UK-India Young Professionals Scheme, formally launched earlier this month, is seen as overcoming this hurdle by annually offering 3,000 18 to 30-year-old graduates visas to live and work in either country for up to two years.

"We have to make sure that each trade agreement we sign is tailored to the specific country. The kind of mobility offer I can do to a country like Australia is not going to be the same kind of mobility offer I can do with a country like India, which has got many times the population, said Badenoch.

"And what people from the UK want to do when they travel to Australia is probably slightly different from what they do when they travel to India, and vice versa as well, she told The Times'.

Distancing from the previous Tory government's approach of deadline-bound FTA negotiations as "unhelpful", Badenoch reiterated the Rishi Sunak led government's more flexible approach going forward.

"The 'deal by Diwali' mantra is one of the things I have changed since becoming Trade Secretary. I tell people it's about the deal, not the day. I think that having a fixed day where everything needs to be completed is not helpful in a negotiation because the other party can run down the clock, she said.

Johnson had set a Diwali 2022 deadline for the FTA during his prime ministerial visit to India in April last year. However, amid major political upheavals in the UK, that deadline fell by the wayside and most ministers have since been reluctant to set a fresh timeframe.

"I do think a deal this year. I don't know when. But after a while if things don't conclude then people just move on, on both sides. I'm very keen to sign a deal this year, said Badenoch.

According to official UK government data, India-UK bilateral trade currently stands at around GBP 29.6 billion a year. Both sides formally launched FTA negotiations at the start of last year, with Sunak committing to working "at pace" towards an FTA that does not sacrifice quality for speed after that October 2022 Diwali deadline was missed.

Source: business-standard.com- Jan 22, 2023

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Centre for Maritime Economy and Connectivity to be set up in India

The Indian Ports Association (IPA) and the Research and Information System for Developing Countries (RIS) recently signed an agreement in New Delhi to set up a Centre for Maritime Economy and Connectivity. Indian minister for ports, shipping and waterways Sarbananda Sonowal, who witnessed the signing ceremony, tweeted that the institute will pave way for seamless, cost-effective trade and commerce with neighbours.

Secretary handling the ministry Sanjeev Ranjan said the proposed transhipment port at Galathea Bay at Greater Nicobar in Andaman and Nicobar Islands will be advantageous for the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) member nations.

India's GatiShakti initiative will go beyond the shores and ports of the neighbouring countries can also benefit, he was quoted as saying by a news agency.

Source: fibre2fashion.com- Jan 23, 2023

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Drawback, GST, RoDTEP refund different levies

Last week, many exporters, Customs brokers, consultants and even some GST/Customs officers asked me whether there is any merit in the contention that exporters can claim Goods and Services Tax (GST) refunds on exports, while claiming part of the amount through the duty drawback route also. My answer is an emphatic 'No'. Let me explain.

Rule 2(a) of the Customs and Central Excise Duties Drawback Rules, 2017 (introduced through M.F.(D.R.) Notification No. 88/2017-Cus. (N.T.), dated 21-9-2017), says that 'drawback' in relation to any goods manufactured in India and exported means the rebate of duty excluding integrated tax leviable under sub-section (7) and compensation cess leviable under sub-section (9), respectively, of Section 3 of the Customs Tariff Act, 1975 (51 of 1975), chargeable on any imported materials or excisable materials used in the manufacture of such goods.

Thus, the said Drawback Rules rebate only the customs duty on imported materials, and excise duty on excisable materials used in the manufacture of the exported goods. They do not rebate any GST. Even the Integrated GST (IGST) and compensation cess paid on the imported materials are excluded from the duty drawback scheme.

In the Central GST Act, 2017, the word 'drawback' is defined differently, and in the third proviso to Section 54 (3) of the said CGST Act, there is a reference to drawback of Central Tax. These references now have no relevance to the refund provisions under the GST laws and the said Drawback Rules. Indeed, they are superfluous.

Some exporters have also raised a query on whether the duty drawback scheme is for compensating 'un-rebated taxes and duties' such as value-added tax, mandi tax, electricity duties, etc. The answer is No. These taxes and duties, besides many others, such as stamp duty on export documents, embedded GST on purchases from unregistered dealers, coal used for generation of electricity, excise duty on fuel used in transportation, and any other taxes, duties or levies, which are not refunded, exempted or re-imbursed under any of the prevalent mechanisms, such as Advance Authorisation, Drawback, and GST refund are given back through the scheme for Remission of Duties and Taxes on Exported Products (RoDTEP). An indicative list of taxes, duties or levies being rebated through the RoDTEP scheme is given in the M.F. (D.R.) Instruction F. No.

605/19/2021-DBK/876-947, dated 28-10-2021 issued by the finance ministry.

Through Section 16 of the IGST Act, 2017, exports are zero-rated. Section 54 of the CGST Act, 2017, provides the basic legal framework for the grant of refunds for zero-rated exports, and Rules 89 and 96 of the CGST Rules, 2017, deal with the mechanisms for grant of GST refunds on zero-rated exports.

Thus, conceptually, legally, and procedurally, the GST refunds, duty drawback, and RoDTEP scheme operate in different spheres. They aim to refund different types of duties and taxes. While the GST laws deal with refunds of only the GST, the duty drawback rules deal with the rebate of excise and Customs duties, and the RoDTEP scheme deals with compensation for other embedded taxes, duties or levies in the manufacture and export of the goods.

Availing of refund under one scheme does not take away the right to claim refund under another scheme. All the three refunds, rebates or remissions can be claimed on the same shipment. Exporters can contest any attempts to delay or deny such refunds.

Source: business-standard.com- Jan 23, 2023

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What's driving the Global textile and apparel market

Global Apparel Market

The global apparel consumption in 2021 is estimated to be around $1.5 trillion. The market recovered by approx. 16% compared to 2020. It is estimated to reach $2 trillion by 2025 growing at a CAGR of 4% from 2019. In 2021, the US was the largest apparel consumer market, worth $257 billion with a growing CAGR of 5%. EU-27 has declined at a CAGR of 11% in 2021 post-Covid impact and stood at $211 billion. China, the 3rd largest market in the world, grew marginally from 2019, due to pandemic, however, is expected to grow with 11% CAGR (highest among all markets) and becomes the largest apparel market, worth $340 billion by 2025. Other major markets include Japan, India, Brazil and Canada.

The report, titled Building a Roadmap for $ 250 Billion Sustainable Textile Industry, indicates that that growing economies such as China, India are growing at much higher rates then developed regions owing to the growing domestic market and increasing disposable income. Together these market account for 59% of the total apparel market while rest of the world accounts for remaining 41% share.

Global T&A Trade

According to the report, the global textile and apparel (T&A) trade in 2021 was $869 billion. The trade showed a significant recovery of 22% post-Covid and a 2% growth over 2019. Apparel was the largest traded segment accounted for 57% of the total trade and stood at $492 billion, followed by fabric with 13% share. The trade is projected to grow at CAGR 3% and reach $ 1000 billion by 2025 with apparel being the largest traded category, worth $573 billion.

China is the largest supplier of T&A in the world with 37% share followed by Bangladesh with 5% share. India is the 4th largest supplier in the world with 5% share and exports worth $42 billion. Vietnam and Poland have registered the highest CAGR of 10% each followed by Bangladesh with CAGR8% since 2010. India on the other hand is growing moderately at CAGR 4%. Since, 2010, China has lost 4% share in the global apparel trade whereas Bangladesh and Vietnam have gained 3% share each. India's share remained stagnant during the same period.

Focus on Sustainability

The report claims that sustainability has grown from being just a buzzword to a crucial factor in shaping the industry. The global textile industry is amongst the most polluting industries and the environmental concerns facing the textile sector are significant. However, to counter and control the negative effect, textile companies worldwide are taking significant corrective measures with the ultimate aim of becoming a green and sustainable industry. These measures include controlled use of natural resources like water and energy in production processes, using raw materials which are sustainable in the long run, proper handling of hazardous chemicals used in dyeing and coating, proper waste disposal, treatment of water before discharge, using recycled products and adherence to certain guidelines to eliminate health risks of workers, consumers as well as the environment.

Supply Chain Digitalization

As compliance getting stringent, transparency in the supply chain has become an unavoidable factor, the finding indicates. Post-Covid the world has discovered the digital way of conducting business and this digital transformation is changing supply chain relations of buyer and supplier across the globe. Digitalization has enabled buyers to find suitable supplier from any corner in the world. Suppliers who are able to deliver better, transparent and more efficient business have become first choice of buyers. The trend in the textile supply chain has had a huge impact on aspects, such as sourcing approach, supply chain visibility, partner collaboration, information sharing and analysis.

The Xinjiang Impact

Following the Xinjiang cotton ban by the US, buyers become more conscious about their sourcing and began focusing on reducing dependency on China for sourcing requirement. However, this action opened up opportunities for other manufacturing nations such as Bangladesh, Vietnam, and India to increase their share in the global textile and apparel market and boost exports.

The ban opened up huge market, especially for Indian cotton-based products on global level. It suggests that taking advantage of the production-capacity shift in the labor-intensive industry away from China over the past few years, countries in South Asia have been steadily increasing their market shares in terms of textile exports to the US.

The comfort wear factor

As people were pushed to stay home to contain the spread of Covid19, a need to be in comfortable clothing arose and gave boost to comfort wear clothing. Comfortable clothing, which is mainly made using stretchable fabrics, further increased demand of cotton-spandex, polyester and nylon spandex raw materials. Induced by Covid19, increased interest in comfortability for the past couple of years, gave boost to athleisure category.

Growing share of Manmade Fibre

The manmade fibre (MMF) segment accounts for 70% share in the global fibre consumption with the majority of share held by polyester fibre. The global fibre consumption has increased from 87 million tons in 2014 to 103 million tons in 2022. Polyester has replaced cotton to become the largest and the fastest-growing category in the world with current global consumption of 57 million tons. The demand for manmade fibre is growing significantly across the world.

There are several reasons behind this trend. Low cost, the demand-supply gap in cotton, and versatility in design and application are some of the key reasons. Realizing the potential of the synthetic Industry, the government of India has also taken the initiative to promote synthetic textile manufacturing in India and launched dedicated schemes like PLI and MITRA. Approximately, 49% i.e. $427 billion of the global trade comes from man-made fibers and is growing at a CAGR of 3.7% since 2010. In 2021, MMF-based apparel stood at $237 billion growing at a CAGR of 4.6% while cotton-based apparel stood at $207 billion MMF-based fabrics being the second largest category stood at $69 billion growing at a CAGR of 3.4% during the same period.

Indian T&A Market is expected to touch $250 billion

Indian textile and apparel market is estimated at $153 billion, 70% of which is domestic consumption while exports constitute the rest 30%. The overall domestic market of India stood at $110 billion in 2021. Within this, apparel retail contributes $80 billion, technical textiles contribute $22 billion and home textiles contribute $8 billion. The report says that the domestic market is further estimated to reach $190 billion by 2025-26 growing at a CAGR of 10%. Domestic home textile market is estimated to grow at a CAGR of and reach $13 billion, whereas technical textile market is estimated to grow at CAGR % and reach $42 billion during the same period.

India’s Rising Exports Share

In terms of global ranking, India is ranked 2nd in textile export with 7% share and 6th in apparel export with 3% share. Overall, India holds 4th position with 5% share of global exports. India’s T&A exports were $43 billion in 2021-22 and have grown at 3.7% CAGR since 2010-11. The exports are further estimated to grow at 9% CAGR from 2021 and reach 60 billion by 2025-26.

Apparel is the largest exported category in India’s exports with a dominant share of 36% in 2021. It is followed by the exports of home textile and yarn with 7% share each. Fibre/â lament category has registered the highest growth in India’s export of textile and apparel with a CAGR of 11% over the last decade. USA, UAE and UK are the largest markets for India’s apparel exports with 30%, 14% and 9% share respectively. The other major export markets for India are Germany and France with 6% and 4%share respectively.

India is a growing economy and the T&A market is poised to grow. The market is estimated to reach $ 250 billion by 2025-26, making India as one of the largest producers and consumer of Textile and Apparels.

Achieving the $250 billion by 2025-26

Currently, the textile sector in India accounts for 10 per cent of the country’s manufacturing production, 5 percent of its GDP, and 13 per cent of exports earnings. Post-covid there is also a boost in the demand and the government support in form of attractive schemes such as Production Linked Incentive (PLI), Mega Investment Textile Parks (MITRA) will further drive the way for the $250 billion target, the report suggests. However, a roadmap to achieve the full potential of the industry is what the industry needs to deliver this target in time.

Source: indiaretailing.com- Jan 22, 2023

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Textile entrepreneurs hope for better stability with reduction in freight charges, cotton prices

Textile entrepreneurs have discussed key issues to bring in stability in the sector eyeing a reduction in cotton prices and freight charges, an industry official has said. Participating in an interactive session here, around 120 managing directors of spinning mills discussed various issues including cotton prices and freight rates, according to Indian Texpreneurs Federation, the organisers of the event.

Sharing of benchmark numbers regarding productivity, cost reduction techniques, best practices to be adopted on periodic basis to improve manufacturing were some of the key points discussed, ITF convenor Prabhu Dhamodharan said.

Andhra Pradesh Textile Mills Association, Telangana Spinning and Textile Mills Association, Spinners Association, Gujarat and ITF participated in the event.

Market trends and quality parameters, yarn and fabric market intelligence regarding domestic and export markets were also discussed as 'common cooperation task between the associations', he said.

Exploring and sharing of knowledge in adding value to the spinning sector, research on domestic and global 'textile and fashion' trends were also discussed during the meet, he said.

Source: economictimes.com- Jan 23, 2023

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Rajya Sabha MP writes to FM Sitharaman seeks duty on import of polyester spun yarn

Rajya Sabha MP Sanjeev Arora has written to Union Finance Minister Nirmala Sitharaman, seeking imposition of anti-dumping duty on polyester spun yarn imported from the ASEAN members under the free trade agreement.

In a letter to the FM, the Aam Aadmi Party MP mentioned that through various forums and platforms, he has been receiving appeals for imposition of anti-dumping duty on the import of polyester spun yarn (PSY) under the Association of Southeast Asian Nations (ASEAN) FTA as this will provide a level-playing field for Indian manufacturers, according to a statement.

Arora said the domestic polyester spun yarn manufacturers are liable to pay import duty of 5.5 per cent on man-made fibre which makes domestic manufacturers uncompetitive against the imported PSY.

"It is concerning because PSY import by India has increased by 943 per cent during the past five years, and imports from Vietnam alone have increased by 88 times", he pointed out.

Further, Arora wrote that in August 2021, the Directorate General of Trade Remedies (DGTR) had recommended that the anti-dumping duty be imposed on PSY originating in or from Indonesia, Vietnam and China.

However, an official communication from Ministry of Finance dated January 8, 2022, states that "the Central Government, after considering the final findings of the designated authority, has decided not to accept the aforesaid recommendations".

Arora wrote that the Indian textile industry contributes to 40 per cent of the country's demand in the shape of man-made fibre and employs more than 6.5 lakh workers.

He stated that the government's decision of not imposing definitive anti-dumping duty on imports of PSY from China, Indonesia and Vietnam has cast a shadow on the domestic weaving sector which is mainly dependent on various types of synthetic yarns.

Arora urged the FM to impose anti-dumping duty on polyester spun yarn as it has already distorted the operating environment and affected the industry performance.

Another consideration which can help the textile industry is to make import of man-made fiber free of import duty, he added.
Arora hoped that the Union Finance Minister will seriously consider the matter submitted before her in the larger interest of spinning mills in India especially Punjab.

He further hoped that the FM will watch the interest of the industry which is considered the backbone of the economy of the country. "I hope that something concrete will come out in the forthcoming Union Budget to be presented by FM on February 1 in Parliament," he said.

Source: theweek.in- Jan 22, 2023

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ECLGS saved about 12% of outstanding MSME credit from slipping into NPA: SBI report

Incentives provided by the Emergency Credit Line Guarantee Scheme (ECLGS) has helped in boosting credit flow to MSMEs, with at least 14.6 lakh MSME (micro, small and medium enterprise) accounts being saved due to the scheme, according to an analysis by State Bank of India's economic research department .

In absolute terms, MSME loan accounts worth ₹2.2 lakh crore improved since inception of ECLGS for the entire banking industry, per the ERD's analysis.

"This means that around 12 per cent of the outstanding MSME credit has been saved from slipping into NPA (non-performing asset) because of the ECLG scheme," Soumya Kanti Ghosh, Group Chief Economic Adviser, SBI said.

The government-backed scheme, which has been much more successful (vis-a-vis the Credit Guarantee Fund Trust for Micro and Small Enterprises/ CGTMSE) in assuaging hardships to the MSME sector, has saved the livelihood of about 6.6 crores people, the report said.

ECLGS was launched by the government in view of Covid-19 crisis. It provides 100 per cent guarantee to banks and NBFCs to enable them to extend emergency credit facilities to MSMEs/ Business Enterprises (with outstanding loan up to ₹50 crore as on February 29, 2020, and turnover up to ₹250 crore in FY20) to meet their additional term loan/ working capital requirements.

The report noted that there is a clear evidence that the MSME units are becoming larger with several units crossing the threshold of ₹250 crore turnover and turning mid sized corporates by the new definition of MSME units.

This reveals integration of MSME units with larger value chain as PLI (production-linked incentive) activity is getting momentum, it added.

Referring to Udyam Assist Platform (UAP), the report estimated that the platform would benefit up to 5 crore informal micro enterprises (IMEs). UAP has been developed by SIBDI to enable IMEs that aren't registered under GST to get a registration certificate from the government based on the information available with banks/NBFCs.

“States like West Bengal, Uttar Pradesh, Tamil Nadu, Karnataka and Andhra Pradesh could benefit with 2.6 crore registrations of IMEs,” the report added.

Nudging IMEs into the ambit of formalisation will result in smaller firms that are mostly self-employed to get registered, which in turn boost employment, ensure credit expansion and lay forth architecture for formal credit mechanism, Ghosh said.

With the change in MSME definition in 2020, the government mandated all the MSMEs to register under the Udyam portal. The number of GST registration in India is about 1.40 crore whereas the current MSME units registered under Udyam Certification is about 1.33 crore.

Source: thehindubusinessline.com- Jan 23, 2023

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Indian e-commerce is no more Flipkart vs. Amazon, it's a multiplayer fight now: Ecom Express CEO

Ecom Express, the second-largest e-commerce logistics company in India after Delhivery, believes there is no let-up in e-commerce demand in the country. The sector is still poised for more than 30% compounded annual growth rate (CAGR) at least over the next decade. Globally, e-commerce is a high customer-concentration business dominated by players like Amazon in the US and Alibaba in China. However, what works well for the India market is the multiplayer fight between Flipkart, Amazon, Meesho, Reliance, and the Tata Group. All these companies have deep pockets. Besides, there is a growing number of direct-to-consumer brands.

Amid this, the prolonged funding winter may be a dampener, says TA Krishan, co-founder and CEO, Ecom Express. In a free-wheeling interview with ET Prime, he opens up on the company's growth prospects, expansion and innovation, the changing equation in Indian e-commerce, efficient use of capital, hiring, and a lot more. Edited excerpts:

How have volumes grown for you in the last few years?

We used to track 2 million shipments and then 4 million shipments. And recently we have seen 10 million shipments happening. So, growth has been pretty good. Like they say, what the monetisation did to the digital-payments space is what Covid-19 did to us. In my view, that growth momentum continues.

Although the e-commerce market is expanding, do you think the sector is maturing and the CAGR growth we saw earlier is moderating?

I don't think the industry is mature yet. If you look at India, e-commerce is about 5.2% of the formal retail and is still at a very, very nascent stage. I believe it still has multi-decadal, 30% to 40% growth prospects. So, I'm not too sure if we see the stability level even remotely. We haven't reached the size of the Chinese e-commerce market, which is almost 26% to 28% of the formal retail. They are five to six times bigger [than the Indian e-commerce market]. In my view, the industry will take time to mature. Along the way, you'll have many new players coming in and many existing players may shut shop.

What is your biggest concern at the moment?

There has been a prolonged funding winter for the last one year and [the scenario] may stretch even more. That does not augur well for the e-commerce industry, which is a longer-gestation business. Unless companies get funded, they probably will not be able to put up sales weeks or sales months. So, unless the industry gets sustained funding, it becomes a difficult proposition to climb to a different level of business.

In the last one year, what have you done in terms of investing in capacity, or expanding your customer profile? What has been the big change?

If the [sales] season is going to be an every-year story, why do you have to wait till about June-July to start planning for it? What we've said is that it should be a continuous process. You get out of one sales period and start preparing for the next one. We have indicative numbers since we have 10 years data. We know how things would look like. So, we kind of start forecasting those numbers. And we start building infrastructure capacity, capability, tech stacks that would support us much in advance.

In the last two years, we have put up 30-odd sortation systems to handle the volume growth. And as opposed to only investing in sorters for processing centres, which is for forward-volume processing, we are also now using sortation systems for our hub operations. Our hubs are centers from where we start the processing, or we make the network connection. These centres are also getting automated. We must have added almost about 3.5 million sq ft to 4 million sq ft space to accommodate these sortation systems.

On the technology side, we have gone into modernising our legacy platforms to sort of mobile-first kind of product and data science capabilities.

What's your preparation to meet the logistics demands of D2C brands?

Since the advent of the D2C brands, a large swing has come in terms of how you engage with those ecosystems — both at the category level and at the requirement level. For example, the reverse value chain is a big problem that the industry faces. And that was magnified when a lot of small sellers, or niche brands emerged in the D2C ecosystem. That is where I think a lot of product thinking [is needed] in terms of how do you serve those customers better with respect to their supply-chain visibilities, or how do you engage with them in a better manner for a tier-I to tier-IV network. That was one fundamental thinking change, I think, which the company had undergone, and products have been built around that.

E-commerce logistics players have been highly dependent on Flipkart and Amazon for volumes. Has that equation changed now?

That's an interesting question. Globally if you look at it, e-commerce is a high customer-concentration business. Alibaba has the lion's share of the Chinese market and Amazon dominates the US market. So, I think globally, there are one or two players who occupy a larger portion of a logistic partner's business. India has been no different. But I think what has changed for India, is it's a four- or a five-way fight now, as opposed to only a fight between Flipkart and Amazon.

Now we have Meesho, which probably is the single-largest customer outsourcing [logistics] volume. Meesho outsources everything unlike Flipkart and Amazon who probably insource most of it and outsource only 15% to 20% of their volumes. You have the Tatas now who are very active in the e-commerce space and so is Reliance. So, the concentration risk that was held between two customers earlier, is now a five to six player split. And all of them have deep pockets.

We have been focused on e-commerce unlike our peers. So, our concentration risk from a customer profile perspective would always be higher. In our case, we don't kind of curse the situation because this has been the pattern worldwide.

Be it China, the US or the UK, the trend has been similar and (logistics) partners who are supporting them (e-commerce players) on the logistics requirement have only grown bigger and stronger. For instance, if you look at all the TOs in China, YTO, ZTO and likes, they have only become multi-billion-dollar companies listed on the Nasdaq, with brilliant results posted year on year. If this could augur well for others globally, I don't see anything different happening in India. Though India is still at a very nascent stage of online penetration, once it becomes equal to the size of the US, or say China, things will be completely different.

Is Ecom Express adequately capitalised for infrastructure investments going forward?

Unlike many of our peers, we have always strived to grow profitably. We have been very prudent on how efficiently we have used capital so far. If you look at what [funds] we have raised so far, it is much lesser than what somebody has raised in one round.

We have conserved capital and we have spent it only where we needed to — such as to add value to customer processes or to add capabilities that will help serve customers better. In terms of funds, we are fairly adequately capitalised but we believe that we need to invest five years in advance of what the market needs. If the industry continues to grow, two to three years down the line, we will have to seriously plan towards investing in 2 million sq ft to 5 million sq ft facilities. This would need a large amount of capital and would need a lot of time to give shape to. So, we need to tap into either private markets or the public market to raise the capital pool. When the time demands, we will certainly choose one of those options.

Is a public listing on the radar?

That is an obvious question somebody should ask a company, which has private-equity investors. As part of my fiduciary responsibility, I need to give them an exit via an IPO, which is the only option besides a strategic sale if that would happen. At present, market conditions are bad globally and India is not an exception, especially after the listed tech stocks have taken a beating.

Has your hiring strategy also evolved? Are you hiring from the IITs or experienced folks from the industry?

I think it is a combination [of both]. Our development team also has a few of them, but it is not a mandate we will have only IITians. Let me go back some time in history. When I started my career in the logistics space way back in 1986, it was extremely difficult even for the top-rated companies to attract talent. You would never have brilliant talent ever joining the logistics space because it was always looked down upon as an industry. What changed was the e-commerce industry getting stabilised. The need for logistics and technology-enabled logistics became the buzzword, which attracted a lot of talent. And I think all these young people who probably have technology as a core want to now solve many customer problems and logistics-related problems. So today, if you look at my own company and the headquarter team, we probably have more engineers than you could have in a manufacturing setup.

As we have moved from a legacy ERP system to a product-focused approach, we had to hire a new CPTO (chief product and technology officer) who has worked with multiple industries including a travel portal and PayTM. We have somebody from the retail industry to head our company as COO. Another position we filled is the operations head who has had experience with ATS and Paytm.

Source: economictimes.com- Jan 23, 2023

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Top Japanese brands to source Indian garments at Gurugram fair next month

Over fifty prominent Japanese buyers representing brands such as Sumitomo, Toyoshima, Marubeni, Mitsubishi, United Arrows and MYK Fashion will be in India next month to source ready made garments at a reverse buyer seller meet.

"With Indian apparel having duty free access in Japan under Indo-Japan Comprehensive Economic Partnership Agreement, as against 9 per cent duties for Turkey and 9.5 per cent for China, it makes business sense for Indian ready made garments manufacturers and exporters to participate in this unique opportunity," said Narendra Goenka, Chairman, Apparel Export Promotion Council.

Over 75 Indian RMG manufacturers have confirmed their participation in the first edition of Upnext India 2023, a reverse buyer seller meet with Japan, organised by the AEPC and supported by the Commerce Department under the Market Access Initiative Scheme. The meet, scheduled on February 10-11 in Gurugram, will have exhibits across various categories including summer and winter collection, per a statement issued by AEPC on Saturday.

There is a big potential for India to increase its RMG exports to Japan as at present its annual garments export to the country is worth just $22 million as opposed to total garment imports of $23 billion annually by Japan, Goenka pointed out. " Moreover, stronger opportunities for trade diversion is emerging with continuous Chinese (exports) fall. This gap can be easily filled by Indian companies," he said.

Top RMG products imported by Japan from across countries include jerseys, pullovers, cardigans, waistcoats of man-made fibres or cotton, both knitted and crocheted.

Top products imported by Japan from India include women's blouses, dresses, shirts and shirt-blouses of cotton and jerseys, pullovers, cardigans, waistcoats and similar articles of cotton, knitted or crocheted.

Source: thehindubusinessline.com- Jan 22, 2023

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