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 To Watch Currency Outlook
 by CR Forex Advisors
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**NEWS
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INTERNATIONAL NEWS

China's spandex exports decline in first two months of 2023

China's spandex exports have seen a decline in the first two months of 2023, according to data from China customs.

The total amount of spandex exported was 10.5kt, which is a decrease of 36.4% or 5993 tons compared to the same period last year. The export unit price was also down by \$4.162/kg on an annual basis, standing at \$5.182/kg in Jan-Feb. In Jan 2023, exports of spandex amounted to 4831 tons, an increase of 8.2% on a monthly basis but a decrease of 42.8% compared to the same month in the previous year.

The export unit price in Jan-Feb was \$5.244/kg, up slightly by \$0.006/kg on the month. In Feb, the total amount of spandex exports was 5645 tons, which was up by 16.9% compared to the previous month, but down 29.7% YoY. The export unit price was \$5.128/kg in Feb, down by \$0.116/kg on a monthly basis.

Despite spandex being exported to 85 nations or regions in Jan-Feb, which is an increase of 8 compared to the same period last year, the top four nations - Turkey, South Korea, Vietnam, and Egypt - still account for 47.3% of the total export. The exports to Pakistan, Taiwan of China, Mexico, Italy, and South Korea decreased, while exports to Uzbekistan, Malaysia, and the Netherlands increased by 100-200 tons.

The decline in spandex exports is due to the global economic slowdown and falling global trade, which has impacted the textile and apparel industry in emerging markets such as India and Vietnam. In early 2023, some large shoe factories in Vietnam downsized due to insufficient orders.

The earthquake and falling demand from Europe and the US have also caused a decline in exports to Turkey by 66.3% or 4868 tons in Jan-Feb 2023, which is the second-lowest export rate in the last five years, only higher than Jan-Feb in 2020. The foreign exchange shortage in Pakistan has also affected spandex exports to the country.

Chinese exporters have turned their attention to neighboring Bangladesh due to payment problems in Pakistan, causing a rebound in exports to Bangladesh since Feb. Meanwhile, exports to India have also seen a medium-digit growth YoY.

Source: fashionatingworld.com- Mar 25, 2023

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Analysts cut Asian companies' earnings; global slowdown, China to blame

Equity analysts are cutting their estimates for Asian companies' earnings because of worries about slowing global growth and the absence of a boost from China's reopening from COVID.

According to Refinitiv IBES data, analysts have cut their forward 12-month earnings' estimates by 3.6% since February, more than the 1.9% increases released in January.

Some analysts expect China's recovery may not be enough to offset headwinds from weak global demand and supply constraints for export-reliant economies in the region.

"We think the primary drivers of Asian earnings downgrades are concerns about recession or a steep consumption slowdown in the developed markets, leading to Asian exporters' earnings estimates being revised down," said Manishi Raychaudhuri, Asia-Pacific head of equity research at BNP Paribas.

Source: business-standard- Mar 24, 2023

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China's cotton industry to advance high-quality development

China's cotton industry will continue to improve supply quality to stimulate market demand and promote high-quality development, said the All China Federation of Supply and Marketing Cooperatives on Thursday.

China is the world's largest producer, importer, and consumer of cotton, as well as the largest exporter of textile and garment products, said Hou Shunli, deputy director of the federation's council at an annual industrial conference.

Hou urged efforts to advance product innovation, expand domestic demand, and apply digital technologies to all industrial chain links to accelerate the sector's upgrading.

Efforts should also be made to optimize the distribution of cotton production, ensure the supply of raw materials for the textile industry, and continue to improve the resilience and safety of the industrial and supply chain, Hou said.

Source: english.news.cn- Mar 23, 2023

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Europe and US drive exports for Indonesia's TPT industry

Indonesia's textile and footwear industries are driving the country's economy and exports, as highlighted by the recent Adidas Global Partner Summit in the country. The two industries contributed to a positive growth of 5.31% (yoy) in 2022 and have seen an increase in exports, especially to Europe and the United States.

The government has been supportive of these industries and has been implementing various policies to attract foreign investments to improve the business climate in Indonesia. The implementation of the summit aimed to encourage upstream and downstream integration of the supply chain to meet the rising demands of the TPT industry and world footwear.

Meanwhile, textile and garment issuer PT Trisula International Tbk (TRIS) is optimistic about its sales in 2023, with the demand for garments still high in both export and domestic destinations. TRIS has enjoyed the benefits of increased sales in the export market, which jumped by 53% in 2022, while the company's net profit even skyrocketed to 258% yoy.

The increasing trend of the Industrial Confidence Index (IKI) in January 2023 also supports the company's optimism. These developments come amid fears of a global recession, which have not yet materialized, and the two industries continue to thrive.

Source: fashionatingworld.com - Mar 25, 2023

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Vietnam: Textile, garment firms switching to green production

Textile and garment businesses in Vietnam are taking steps to switch to green production to meet partners' demand and achieve sustainable development, the Cong Thuong (Industry & Trade) newspaper reported.

Greening textile and garment production chains is currently a global trend that are compulsory for businesses to achieve sustainability. It is also a requirement placed on manufacturers as the EU, which imports over 4 billion USD worth of textiles and garments from Vietnam annually, has proposed the imposition of some eco-regulations on imports.

Major fashion brands in the world are also prioritising green enterprises to place their orders or requesting suppliers to adopt green practices.

Facing challenges and strict requirements from the market, many Vietnamese businesses are making changes towards green manufacturing, including upgrading factories and using recycled fabric and green energy.

Among them, the Hanoi Textile & Garment Joint Stock Corporation (Hanosimex) and the Hansae group of the Republic of Korea are implementing a recycled fabric production project in Vietnam.

Hansae Deputy General Director K. Kim said the two enterprises will be the first in Vietnam's textile and garment industry to make a historic turning point with the formation of a complete supply chain, from yarn making, weaving, dyeing to sewing, particularly for recycled products.

They will produce yarn and fabric from recycled fibre in Vietnam, and all of those products will be used to produce garment for export. About 4,000 tonnes of recycled fabric will be manufactured for the EU market in the coming time, he noted.

Le Tien Truong, Chairman of the Vietnam National Textile and Garment Group (Vinatex), said developing a circular economy and environmentally friendly products is now a trend in the global textile and garment market. From now to 2050, the EU will issue new rules on textile and garment products, with a focus on green ones.

He held that the strategic cooperation between Hanosimex and Hansae will help the two sides increase the proportion of recycled, green, and eco-friendly items.

Vinatex has invested in new technology to reduce 30% of wastewater discharged from the dying process and reuse 30% of treated wastewater. It also aims to use renewable energy for 10% of its power consumption.

In the Mekong Delta province of An Giang, the Danish-invested Spectre garment factory, which specialises in producing outdoor sport clothing for export, will be partly fueled by renewable energy.

The 17 million USD factory, the third plant of Spectre in Vietnam, has been granted the LEED (Leadership in Energy and Environmental Design) certification.

With a modern design and the use of solar power, it is able to reduce some 1,600 tonnes of CO2 emitted each year.

Source: en.vietnamplus.vn- Mar 22, 2023

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Sri Lanka's merchandise exports dip in February

Sri Lanka's merchandise exports decreased by 8.06 % to US\$ 1,005.2 Million in February 2023 compared to February 2022 as per the data released by Sri Lanka Customs. However, it is a 5.62% increase when compared to February 2021.

Export earnings from tea which made up 12% of merchandise exports, increased by 9.14% y-o-y to US\$ 204.13 Mn in February 2023 compared to February 2022. In addition, export earnings from the Electrical & Electronics Components increased by 13.72% y-o-y to US\$ 43.01 Mn in February 2023 with a strong performance in exports of Other Electrical & Electronic Products (22.12%). However, export earnings from Apparel and Textile have decreased by 2.32 % y-o-y to \$ 483.35 million in February 2023 compared to February 2022. Although earnings from exports of Apparel decreased by 14.75%, earnings from export of Textiles increased by 146.67% in February 2023 compared to February 2022.

Also, export earnings from Rubber and Rubber Finished products have decreased by 17.81 % y-o-y to US\$ 76.58 million in February 2022, with negative performance in exports of Pneumatic & Retreated Rubber Tyres & Tubes (-6.10%) and Industrial & surgical gloves (-45.38%). Export earnings from Seafood decreased by 5.57% to US\$ 19.99 Mn in February 2023 compared to February 2022. However, export earnings from Ornamental fish increased by 37.93% to US\$ 2.0 Mn in February 2023 compared to February 2022.

Out of the top 15 export markets, Italy, Canada, UAE and Bangladesh recorded a positive performance in February 2023. From January to February 2023, only UAE recorded a positive performance compared to the corresponding period of the previous year.

Exports to the United States of America, Sri Lanka's single largest export destination, decreased by 20.94 % to US\$ 231.06 Mn in February 2023 compared to February 2022. In addition, exports to the United States of America decreased by 17.31 % to US\$ 485.83 Mn from January to February 2023 compared to January to February 2022.

Source: dailynews.lk - Mar 27, 2023

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Bangladesh: BGMEA seeks negotiation thru' US lawmakers for duty-free market access

The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) is seeking negotiation through American lawmakers to obtain duty-free market access to the US market for apparel made from American cotton.

The BGMEA plans to write to governors and senators of cotton-growing provinces in the USA to pursue their demand, with a list of targeted governors and senators already prepared, BGMEA President Faruque Hassan told The Business Standard.

The letters are expected to be sent via email and hard copy through diplomatic missions in the USA by today, he added.

"In the letter, we have mentioned that Bangladesh has recently withdrawn the double fumigation condition on US cotton, and given almost zero duty (1%) import facility, which will help to grow their business in Bangladesh," said the BGMEA president.

"We also ask them if they will provide duty-free market access that will also benefit their farmers as they have to export about 90% of their total production", he added.

The BGMEA president also said that duty-free access to the American market for US cotton-made garments would be mutually beneficial for cotton growers and garment exporters.

With the high inflation faced by the USA, granting duty-free market access for US cotton-made apparel would allow consumers to purchase the products at a lower cost as Bangladeshi apparel goods are subject to about 16% duty in the import stage in the USA.

Once the governors and senators have been informed, the BGMEA will write a similar letter to the Ministry of Commerce to negotiate with the US government and the US Embassy in Dhaka to convey the apparel exporters' arguments to the government, Faruque Hassan added.

Envoy Textile Limited's Founder Eng Kutubuddin Ahmed supported the BGMEA's move, stating that it would benefit USA cotton farmers, consumers, and Bangladeshi apparel makers.

US cotton prices are 5%-7% higher than other cotton prices, but the quality of the cotton justifies its use, he noted, adding that textile millers using US cotton have a 20% advantage in increasing their efficiency compared to their regular production.

The use of US cotton allows machines to run up to 1100 RPM (revolutions per minute), which is not possible with other cottons.

The Envoy Textiles founder further stated that due to the US-China political tension, the Bangladesh market could potentially be significant for US cotton in the coming days, especially if the USA grants reduced rates or zero-duty benefits on the export of apparel made by cotton.

Cotton-using mills may provide certification for the traceability of their cotton use in this situation, observed Kutubuddin.

Matin Chowdhury, former president of the Bangladesh Textile Mills Association (BTMA), also backed the BGMEA's demand for a duty-free access to the US market for apparel made from American cotton, saying, "This demand is very logical, which arose about 15 years ago.

The USA has provided such a facility for Jordan, he mentioned adding that providing duty-free access for Bangladeshi apparel would help boost bilateral trade between the two countries.

Bangladesh cotton market scenario

In the marketing year 2021-22, Bangladesh's domestic raw cotton consumption was estimated at 8.8 million bales, according to a recent report of the US Department of Agriculture (USDA).

The report said the textiles industry was composed of yarn, fabric, and dyeing-printing-finishing mills and they have about 15 million bales of cotton consumption capacity.

Some 80% of the produced yarn is pure cotton while the remaining 20% is mixed yarn from cotton and artificial fibres.

The report also mentioned that Bangladesh has been showing a steady increase in cotton imports since marketing year 2014-15, with a dip in marketing year 2019-20 due to the Covid-19 pandemic.

Monsoor Ahmed, BTMA additional director and CEO (In Charge), said Bangladesh meets about 13% of its cotton demand through imports from the USA, which is gradually increasing.

The Otexa data showed that Bangladesh's current share in the US market is about 9.8% (of the nearly \$100 billion worth of clothing the US imported globally), meaning one in every ten garments exported to America from around the world originated from Bangladesh.

Bangladesh's apparel exports to the US have been growing steadily, despite not having duty benefits from the world's largest market, as its market share stood at 8.2% in 2020 and 8.8% in 2021.

Source: tbsnews.net- Mar 26, 2023

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Pakistan: Cotton market remains bearish

The local cotton market on Friday remained bearish and the trading volume remained very low.

Cotton Analyst Naseem Usman told Business Recorder that the rate of cotton in Sindh is in between Rs 17,000 to Rs 19,000 per maund.

The rate of cotton in Punjab is in between Rs 18,000 to Rs 19,000 per maund.

The rate of Phutti in Sindh is between Rs 5,500 to Rs 8,300 per 40 Kg. The rate of Phutti in Punjab is in between Rs 6,000 to Rs 8,500 per 40 Kg.

The Spot Rate remained unchanged at Rs 18,700 per maund.

Polyester Fiber was available at Rs 355 per Kg.

Source: breccorder.com- Mar 25, 2023

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NATIONAL NEWS

Will mega textile parks help boost the sector?

The story so far: On March 17, the government announced that seven mega textile parks under the ₹4,445-crore PM Mega Integrated Textile Regions and Apparel (PM MITRA) scheme will be set up in the first phase. The notification for large-scale textile parks under PM MITRA had been given in October 2021.

The scheme which seeks to streamline the textile value chain into one ecosystem, taking in spinning, weaving and dyeing to printing and garment manufacturing, is expected to generate investments worth ₹70,000 crore. It would also lead to the creation of 20 lakh jobs, according to Commerce & Industry and Textiles Minister Piyush Goyal.

What is expected in the first phase?

Under the first phase of the PM MITRA scheme, large textile parks, spread across at least 1,000 acres, will come up in seven States —Tamil Nadu, Karnataka, Telangana, Madhya Pradesh, Maharashtra, Gujarat, and Uttar Pradesh — housing the entire textile value chain, from fibre to fabric to garments. The parks will have plug-and-play manufacturing facilities and all the common amenities required.

The Central government's budget outlay for the scheme, which is ₹4,445 crore, is to be spent till 2027-28. Special purpose vehicles, with a 51% equity shareholding of the State government and 49% of the Centre, will be formed for each park.

The State governments will provide the land, be part of the SPV, and give the required clearances. The Central government will disburse Development Capital Fund of ₹500 crore in two tranches for each of the seven facilities.

This is for the creation of core and support infrastructure. It will also give a Competitive Incentive Support of ₹300 crore per park to be provided to the manufacturing units.

Is it different from previous textile schemes?

The textile and apparel sector has benefited from different programmes, such as the Apparel Park Scheme announced in 2002 and the Scheme for Integrated Textile Parks launched in 2005, which supported development of common infrastructure. The PM MITRA scheme is envisaged to be a unique initiative and the differentiating factors are the emphasis on large-scale production and provision of plug-and-play manufacturing centres. The scheme is to be implemented jointly by the Central and State governments.

The parks, which will be open for foreign direct investments, will be located in States that have inherent strengths in the textile sector. Each park will have effluent treatment plants, accommodation for workers, skill training centres and warehouses too. It is designed to attract investment from companies that are looking to scale up, and require integrated manufacturing facilities in one location.

What will be the impact on MSMEs?

The micro, small and medium enterprises (MSME) sector is said to control almost 80% of the textiles and apparels currently made in India. Further, the Indian textile and clothing units are more cotton-based. The industry has mixed views on the immediate impact of the huge investments that are expected to come into the parks in existing units.

However, with mounting challenges such as the global geopolitical situation, and overseas buyers exploring China as well as other sourcing options, the past two years have seen notable shifts in supply chains. Orders are transitioning to suppliers who are highly price competitive and have sustainable production processes.

Even those who cater to low-volume orders are going in for value addition for better price realisation. Thus, manufacturers with vertically integrated facilities are at an advantage compared to smaller, standalone players.

The MSME exporters are also realising that there is a need for integrated, larger facilities and these factors are expected to drive the industry's investment plans.

Does the industry expect a boost in exports?

Indian textile and clothing exports have stagnated at around the \$40-billion mark over the past four years, and stood at \$44 billion last year; the aim is to achieve \$100 billion in exports and target a domestic business of \$250 billion by 2030. The PM MITRA parks aim to augment the export potential of the sector.

Cotton-based products make up approximately 65% of the total textile and apparel exports. Indian exports, which cover a gamut of products, are mainly known for yarn, bedsheets and towels, T-shirts and denim fabric.

Expanding the fibre and product line will give India a larger share in the global market, from the current 5%. In order to make a giant leap in exports and domestic sales, the industry has to also be price competitive right from the raw material stage and gear up to meet the sustainability and traceability demands of international buyers.

The State governments and developers should give thrust to the PM MITRA parks for sustainable and cost-effective solutions for pollution control and other issues that the value-adding segments of the textile chain face. India can take a cue from countries such as Turkey where integrated textile parks are highly efficient.

Some of the MSME players who have the appetite to invest but are in need of resources are hoping the government will combine the Production Linked Incentive scheme II with PM MITRA, though guidelines issued in January last year say incentives under PM MITRA will be available only to those companies that have not availed of benefits from the PLI scheme. The Central and State governments have to encourage MSME units to invest in the PM MITRA parks and scale up, say insiders. Else, India faces the risk of missing out on the opportunity to become the prime destination for textile production and exports.

- On March 17, the government announced that seven mega textile parks under the ₹4,445-crore PM Mega Integrated Textile Regions and Apparel (PM MITRA) scheme will be set up in the first phase.
- Under the first phase of the scheme, large textile parks, spread across at least 1,000 acres, will come up in seven States —Tamil Nadu, Karnataka, Telangana, Madhya Pradesh, Maharashtra,

Gujarat, and Uttar Pradesh – housing the entire textile value chain, from fibre to fabric to garments.

- The PM MITRA parks aim to augment the export potential of the sector as Indian textile and clothing exports have stagnated at around the \$40-billion mark over the past four years, and stood at \$44 billion last year.

Source: thehindu.com- Mar 26, 2023

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New Foreign Trade Policy to have vision, strategy statement for long-term growth

The new Foreign Trade Policy, to be released this month-end, will come with a vision and strategy statement for expanding foreign trade, focussing on areas such as the evolving global system, MSMEs for exports, innovation and start-up ecosystem, products and markets, services sector, cooperative federalism and integration of women into trade, sources have said.

The long-term policy, with an ambitious target of increasing exports of goods and services to \$1 trillion each by 2030, may also come up with goals for 2047 such as increasing India's share in global trade to 10 per cent and raising share of exports in GDP to 25 per cent, a source tracking the matter told businessline..

Promoting e-commerce

“The FTP is expected to have measures related to promoting e-commerce for exports, bringing in simplification and reforms for reducing compliance burden, turning districts into export hubs, strengthening domestic manufacturing & infrastructure and suitably adopting sector specific initiatives,” the source said.

While there may be no big bang incentive schemes in the new policy, as WTO rules do not allow export subsidies, a plethora of steps will be announced to reduce transaction costs and improve ease of doing business.

Several flexibilities are expected to be introduced in existing popular schemes such as the Advance Authorisation scheme and the Export Promotion Capital Goods scheme to make it easier for the trading community to benefit from it. These include fee simplification, self-declaration, automatic extension and easing export obligation in some cases.

The new FTP was initially scheduled on April 1, 2020, but it was postponed several times, mainly to tide over the uncertainties unleashed by the Covid-19 pandemic. The last extension of the FTP (2015-20) is set to expire on March 31, 2023. The new FTP is expected to be in place from April 1, 2023.

SCOMET to be introduced

Apart from new chapters on e-commerce exports and district export hubs, one on dual items under Special Chemicals, Organisms, Materials, Equipment and Technologies (SCOMET) is also likely to be introduced.

India's exports of goods in the current fiscal have slowed down since July and are set to post only a small increase over last fiscal's exports of \$422 billion. The slowdown is due to the shrinking of demand in major markets in the West struggling with high inflation and rising interest rates and uncertainties due to the on-going Russia-Ukraine war.

“The vision and strategy statement will chart out a course for development of foreign trade in the longer term keeping in view the evolving global system,” the source said, adding that it will be a forward-looking document.

Source: thehindubusinessline.com- Mar 26, 2023

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BIMSTEC nears completion of Free Trade Agreement, says secretary general

Free Trade Agreement (FTA) among the BIMSTEC countries is at the final stage of formulation with trade being the core agenda when BIMSTEC was established, Bay of Bengal Initiative for Multi-sectoral Technical and Economic Cooperation (BIMSTEC) secretary general Tenzin Lekphell said in Kolkata. BIMSTEC is also creating an energy centre in Bangalore with focus on the potential of clean energy as well.

"Trade has been the core agenda since the time of establishment of BIMSTEC. Somehow it did not really give us the fruit which was expected during this course of time. Many experts have come together in the recent past, a lot of meetings took place, negotiations have been done and multilateral discussions took place among the seven member countries. Seven countries coming to consensus and doing negotiations takes time and it is a complex process. Everyone wants the FTA to happen in the region," Tenzin told ET.

"FTA is at the final stages of completion. We are left with a few more details which need to be negotiated. During the 19th minstrel meeting recently, I have requested the trade ministers, trade & commerce secretaries to come together and then advise the working groups. A lot of work on different constituents of FTA has been done and it is actually entering in the final stages," Tenzin told ET in an exclusive interaction.

Talking about the BIMSTEC Energy Centre coming up in Bangalore, Lekphell said, "This region has potential for clean energy, especially Bhutan and Nepal with huge potential of hydro-power. We have discussed the energy issue with renewed focus. A BIMSTEC Energy Centre is coming up in Bangalore and details about trading energy will come up with India as the lead country."

Meanwhile, the BIMSTEC has also drafted the Maritime Transport Agreement which is likely to get approval in coming November from the member countries. "We know the region has a huge potential in terms of waterways as there are so many rivers in the Bay of Bengal region," Tenzin said, adding that the Maritime Agreement cooperation has been completed. "In November this year, during the sixth BIMSTEC summit in Bangkok, the Maritime Transport Agreement is likely to get the final

approval from the seven member countries, after which it can be implemented," Tenzin said.

"Covid made us realize that pandemic is an important agenda and before the pandemic we were focussing more on trade connectivity, energy but there was not much discussion on health. Now the region has realized that health is an important agenda and in future if a situation arises, the region can come together on the issue," Lekhpell said.

The BIMSTEC conference in Kolkata on Saturday was held following the 19th BIMSTEC Ministerial Meeting, which was held earlier this month in New Delhi, a year after the Fifth BIMSTEC Summit held in Colombo. On Saturday, Minister of State (MOS)-Ministry of External Affairs Rajkumar Ranajan Singh inaugurated the two-day BIMSTEC conference marking its 25th Anniversary.

Source: economictimes.com- Mar 26, 2023

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India's exports to the UAE may cross all-time high of \$32 billion

India expects to achieve its highest ever exports of \$32 billion to the UAE this fiscal even as the two sides plan to integrate their customs and logistics portals for real time tracking of shipments for priority of entry in ports, as part of the bilateral Comprehensive Economic Partnership Agreement (CEPA).

“India’s exports (to the UAE) are around \$28.3 billion. We are hopeful to touch an all time high of \$32 billion exports this year,” said an official.

As per the official, the two sides are also working on customs facilitation wherein their logistics and customs portals would get integrated and help in real time data exchange and tracking of ships for priority of entry in ports. A review of the CEPA, which came into force on May 1, 2022, is likely in May.

On a monthly basis, around \$1.3 billion of India’s exports are going on zero duty as against \$2.72 billion of total outbound shipments. Almost 6,944 certificates of origin were issued in February as against 5,754 in November last year as exports of gems and jewellery, automobiles coffee, tea, and articles of iron and steel, among others rose in June 2022-February 2023 on-year.

“There is an increase in the CEPA utilisation,” the official said. However, India’s exports of apparel, and iron and steel to the UAE shrank in the period.

Apparel exports declined due to the global headwinds while shipments of iron and steel fell despite the government removing export restrictions on them. As per the official, their exports are expected to pick up in the next fiscal.

India’s overall goods exports to the UAE rose 10.4% on-year in June 2022-February 2023 at \$23.03 billion while imports increased 12.9% at \$38.95 billion.

Source: economictimes.com- Mar 26, 2023

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Union Minister of State for Commerce and Industry, Anupriya Patel, urges exporters to focus on untapped potential in every district to diversify export basket, reiterates the slogan, ‘Vocal for local and local goes global’

The ‘Exports Excellence Awards’ were conferred by Union Minister of State for Commerce and Industry, Anupriya Patel, to encourage, motivate and recognize the best performing exporters from Western Region, here in Mumbai today. The Federation of Indian Export Organisations (FIEO) organized the 6th and 7th Set of Export Excellence Awards, for the members who have excelled in export performance of goods and services during the financial years 2018-19 and 2019-20 respectively.

Speaking on the occasion, the Union Minister of State for Commerce and Industry, Anupriya Patel, said, “The western region has contributed almost 50 % to India’s merchandise export. Looking at this contribution we have every reason to celebrate this achievement. I hope the award winners continue to serve as role models and inspire others.”

Referring to the role of exports during Amrit Kaal, she said, “The efforts we take today go a long way in fulfilling the Prime Minister’s vision for the nation. We are now in Amrit Kaal and the next 25 years are important for us to dream and make sure our dreams come true. The export community must contribute towards a developed India. Its contribution is huge for the brand image of the country. Ministry of Commerce and Industry is with you at all steps to assist and support you.”

Urging exporters to make the most of increasing bilateral engagements she said, “Today we are lauded as the fifth largest economy. In next 4-5 years we are poised to be 3rd largest. The Government is making sure that as we advance, we create more opportunities. Our bilateral engagement has been increasing in terms of the large number of FTAs we are negotiating with UAE, Australia and others. Make use of these opportunities to reach global markets.”

With regard to expanding the scope of exports the Minister stated, “The Prime Minister says that every district of India has immense potential, comparable to a single country in the world. Why not focus on that untapped potential for exports and the slogan ‘Vocal for local and local goes global.’ Exporters must focus on diversifying the export basket and

reaching greater number of destinations. For this we are working on an initiative - District as Export Hub.”

Stressing on the importance of creativity and innovation she noted, “Creativity and innovation very important in exports. As exporters you know the significance of being more innovative in products. I urge you to invest more in research. Global markets today are evolving. We have to understand and adapt to changing needs of the time. “

Concluding her key note address, Union Minister of State for Commerce and Industry congratulated the top performers said, “I hope you will continue to contribute towards the bigger target that we have for 2030 of reaching one trillion dollar of merchandise and service exports each.”

During the ceremony, the Union Minister of State for Commerce & Industry conferred 67 awards to the exporters from the region which comprised of MSME, Non-MSME, and Services for their outstanding export performance. Banks/Financial Institutions were also awarded for outstanding export finance lending. There were multiple categories under which exporters were awarded, so as to ensure that all deserving exporters got sufficient encouragement and motivation. Exporters from all commodity groups are awarded during this award.

While welcoming Smt. Anupriya Patel, Hon’ble Minister of State, Commerce & Industry, Dr. A Saktivel, President, FIEO stated that her presence will not only encourage exporters, but will also inspire them to meet emerging global challenges. The exceptional achievement by our Award Winners clearly shows that when going gets tough, the tough gets going. He stated that the aggregate exports in the current fiscal is expected to be between US\$ 775-790 billion exhibiting a growth of about 12% over the record exports of US\$ 672 billion in 2021-22. A double-digit growth in exports, when the global situation is becoming tougher and global trade moderating, is encouraging particularly as many of our competing countries are witnessing a sharp decline in their exports. He congratulated the award winners for their excellent performance and contribution towards the economy. While appreciating the efforts of Ministry of Commerce in setting up Council for Trade Development and Promotion with Trade/Commerce Ministers of States as members , he said that this provides a platform to state governments for articulating their perspective on trade policy and pursuing export strategies in line with national foreign trade policy.

Congratulating the award winners, Shri Paresh Mehta, Regional Chairman-WR, FIEO highlighted the significance of the Western Region Export Awards, as it felicitates top performing exporters from 5 major states of India, Maharashtra, Gujarat, Madhya Pradesh, Goa & Chhattisgarh. He said that the Export Excellence Awards add a zeal amongst the exporter community to achieve new milestones.

Shri Khalid Khan, Vice President proposed vote of thanks to the Hon'ble Chief Guest, awardees, senior Govt. officials and all the guest for their valuable presence. He told exports are not only vital for earning the valuable foreign exchange but more importantly creating employment opportunities and giving a push to a country's GDP.

Leading industry heads, Central and State Government officials, representatives from International diplomatic community, representatives from Trade & associations and Exporters attended the function.

Source: pib.gov.in- Mar 25, 2023

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Indo-Russian mega meet plans to achieve \$50 billion trade target

India and Russia will host a mega business meeting here next week amid plans to push bilateral trade to \$50 billion this year, from a record \$31 billion in 2022 following a sharp increase in energy and fertiliser imports by India.

The 'Russia-India Business Forum: Strategic Partnership for Development and Growth' will take place on March 29-30 as part of the St. Petersburg International Economic Forum.

The main focus of the forum will be IT, cybersecurity, technological sovereignty, smart cities, transport and logistics, healthcare and pharmaceuticals, officials said, adding that the focal point of the forum will be a plenary session on 'Technological Alliances in the Greater Eurasia'.

The trade target for 2025 was earlier fixed at \$30 billion. But the figure was surpassed in 2022 due to India's oil imports from Russia, and there are expectations that the figure will touch \$50 billion in 2023.

"The Russia-India cooperation format is one of the drivers of region-wide efforts to improve the architecture of inter-state relations in the Asia-Pacific Region. The forum is designed to strengthen business ties between the Russian and Indian business communities, to support Russian businesses entering the Indian market..." said a statement by Anton Kobayakov, adviser to the Russian President.

Source: economictimes.indiatimes.com- Mar 23, 2023

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Export benefits under RoDTEP extended to certain textile items

The government has extended export benefits under RoDTEP scheme to 18 items related to textiles sector, including saari and lungi, with a view to boost shipments of these goods. Benefits under the duty refund scheme -- Remission of Duties and Taxes on Exported Products (RoDTEP) -- will be given to exports made from March 23, the Directorate General of Foreign Trade (DGFT) has said in a notification.

Under the RoDTEP, various central and state duties, taxes, and levies imposed on input products, among others, will be refunded to exporters.

"18 tariff lines...are being added...under RoDTEP for exports made from March 28, 2023," it said.

The items include shirting fabrics, casement, and cambric.

Source: economictimes.indiatimes.com- Mar 26, 2023

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‘Incentives for first movers to textile parks’

Factories that are the first to set up at textile mega-parks will get incentives of 3% of their revenue, textile secretary Rachna Shah said.

The mega-parks, announced under the ₹4,445-crore PM Mega Integrated Textile Regions and Apparel (PM MITRA) scheme are to come up in Tamil Nadu, Telangana, Gujarat, Karnataka, Madhya Pradesh, Uttar Pradesh and Maharashtra.

“The Centre will be providing the incentive support to the manufacturing factories that would come in first -- the first movers. They will be incentivized to the tune of 3% of the revenue. Suppose there is an anchor investor, who brings in investment of ₹300 crore to a park, then there will be an incentive that can be ₹10 crore per year with a cap of ₹30 crore,” Shah said in an interview.

Moreover, the Union government has discussed a stable power regime for the textile parks and the state’s attitude toward the proposed four labour codes that aim to facilitating ease of doing business by replacing 29 laws. Changes in labour laws are expected to have a major bearing on the mega parks as textile is a labour intensive sector. The parks alone are expected to employ 2 million workers.

The Economic Survey had stated that new laws are in tune with the changing labour market trends and, at the same time, accommodate the minimum wage requirement and welfare needs of unorganized workers, including self-employed and migrant workers.

The secretary said issues related to the availability of reliable power supply and the quality of power is important for any industrial park and the central government has had discussions about this with the states.

“We’ve discussed in detail with the states about their industrial policy and their textile policy and whether they would be offering any special incentives. Most of the states have their own policy framework for assured power and water supply,” she added.

On the proposed labour laws, the official said the Centre has had discussions with the states in terms of their acceptability.

“We have taken note of their existing labour policies as well as their attitude to the four labour codes,” Shah added.

The mega-parks will be developed by a Special Purpose Vehicle (SPV) which will be owned by the state government and Centre in a public private partnership (PPP) mode.

The textiles ministry had notified setting up of seven mega textile PM MITRA parks on 21 October 2021 after it was announced in Union Budget for 2021-22.

The scheme is aimed at developing an integrated large-scale and modern industrial infrastructure facility for the textile industry. It is expected to reduce logistics costs and improve competitiveness of Indian textiles facing competition from countries such as Bangladesh and Vietnam. The textile sector also has been among the top focus areas of the government in the free trade agreements that India is negotiating with various countries.

India has negotiated zero duty access for textile exports in the trade deals with UK and EU which could help boost domestic production.

Source: [livemint.com](https://www.livemint.com)- Mar 26, 2023

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India's apparel exports decline despite all-time high exports to UAE

India's exports of various products such as gems and jewellery, automobiles, coffee, tea, and articles of iron and steel have witnessed growth during the period of June 2022-February 2023 as compared to the same period in the previous year. However, India's apparel exports and iron and steel shipments to the UAE have declined during this period.

Despite these challenges, India's overall goods exports to the UAE have risen by 10.4% year-on-year to USD 23.03 billion, with imports increasing by 12.9% to USD 38.95 billion during the June 2022-February 2023 period. This positive growth can be attributed to the bilateral Comprehensive Economic Partnership Agreement (CEPA) between India and the UAE.

The CEPA, which came into force on May 1, 2022, has facilitated trade between the two nations. The integration of customs and logistics portals to track shipments in real-time has resulted in priority entry at ports. As a result, India is poised to achieve an all-time high of USD 32 billion in exports to the UAE by the end of this fiscal year, thanks to the benefits of the CEPA.

Currently, India's exports to the UAE stand at around USD 28.3 billion, and approximately USD 1.3 billion of India's exports go on zero duty on a monthly basis, compared to USD 2.72 billion of total outbound shipments.

It is noteworthy that the Indian government has removed export restrictions, which has also contributed to the increase in exports. Despite the challenges faced due to global headwinds, both countries will continue to build on the success of the CEPA in the years ahead.

Source: fashionatingworld.com- Mar 25, 2023

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Texprocil event. Saudi Arabia places \$10 million order for fabrics

Buyers from Saudi Arabia have placed orders for fabrics worth \$10 million at an event organised by the cotton Textile Export Promotion Council of India (Texprocil).

The Australian and other buyers were keen on using the free trade agreement signed between both countries to shift some of the sourcing from China to India.

They were also looking for Indian suppliers of recycled and organic cotton products, said Texprocil.

The recent supply chain disruptions and lack of trust have forced many buyers to relook at sourcing from China.

Over 90 buyers from 30 countries including Australia, Turkey, Malaysia, Poland, Kenya, Portugal, Russia, Mexico, Israel, Guatemala, Chile, Bangladesh, and Sri Lanka attended the event to source yarns, fabrics, and home textiles across fibres such as cotton, polyester and viscose.

Mutual benefit

Sunil Patwari, Chairman of Texprocil said about 50 Indian suppliers of cotton textiles and their blends showcased their products to attract buyers.

The Council also interacted with the delegation from Bangladesh to collaborate in the textile industry for mutual benefit.

In an interaction with delegates, Shubhra, Trade Advisor, Ministry of Textiles was appraised of issues such as the long lead time to tap the Latin America market and need for fixing minimum order quantities.

Source: thehindubusinessline.com- Mar 23, 2023

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WARP & WEFT: CENTRE, TN WEAVE A SUCCESS STORY

The fabric of Tamil Nadu's textiles sector has been strengthened in the last few days with the formal launch of the first 'PM Mitra' textile park at Virudhunagar and unveiling of policies for the industry. The Virudhunagar park is the result of the state's sustained engagement with the Centre over the past two years.

This DMK government had originally planned a "large textile park" for industrialization and job creation in southern Tamil Nadu. That's when the Centre came up with the concept of 'PM Mitra' parks to make India a global hub for textile manufacturing. TN was among 13 states that sent proposals to the Centre. "We followed up and met the stringent selection criteria. We had 1,500 acres readily available with state-owned Sipcot in Virudhunagar and that was the clincher. It was right on the Kanyakumari-Chennai four-lane industrial corridor and within easy reach of Tuticorin seaport and Madurai airport," industries minister Thangam Thennarasu told TOI.

"Our CM (M K Stalin) took a personal interest. He brought it to the attention of PM Modi, when he called on him. We also held a full-fledged meeting with Union minister Piyush Goyal and explained to him the advantages of allotting such a park to Tamil Nadu. Everything enabled it," the minister said.

Last week, when the park was launched formally, TN ensured that 11 companies signed an MoU for setting up units with a combined investment of `1,231 crore. Stalin also urged the Centre to name Sipcot as the master developer to reduce the lead time for the park to take off. "If everything goes as planned, the park should become fully operational by 2025," Thennarasu said.

TN's textile industry is naturally elated. "With all these initiatives and government support, Tamil Nadu is poised to take advantage of the China Plus 1 mindset and attract huge investments to the already vibrant textile sector," says R Nandini, deputy chairperson, CII – SR & MD, Chandra Textiles Pvt Ltd.

The textiles industry has always been one of the biggest job creators in Tamil Nadu. "Somewhere down the line there was this sudden story that it was a sunset industry without a future. Unfortunately, that was the view

of even the top leadership of the country until a few years ago. Now, industry is set for faster take-off,” says Ravi Sam, chairman, SIMA and MD, Adwaith Lakshmi Industries Limited.

Ravi wants the TN government to focus on three areas – scale, product and cotton. “We need to scale capacities. Recent entrant Bangladesh has capacities that are 10 times that of Indian units. We also need to move up the value chain and stop focusing on basic products. And finally cotton – there are 2,500-odd seed varieties and we should reduce this to around 50. Only then can one have some control over the final product,” says Ravi Sam.

Chandra Textiles’ Nandini says the Centre and the state are promoting man-made and technical textiles. “This will put Tamil Nadu on the world map for innovating in technical textiles because right now our contribution is very small. For that we need to have a lot of connect between industry and academia. Imparting skills in technical textiles becomes a critical need for man-made textiles to really take off, since they are completely different from the traditional textile products,” she says.

“Another area of focus should be labour. The industry employs mostly guest workers. Now, with several north Indian states too focusing on the development path, the textile industry in Tamil Nadu should increasingly opt for automation so that the requirement for blue-collar labour will be low and white-collar labour high. Hence, imparting skills becomes the key,” says Nandini.

The key for Tamil Nadu is to focus on emerging global opportunities in man-made fibres while strengthening its position in traditional natural fibres.

Source: timesofindia.com- Mar 27, 2023

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South India cotton yarn stable despite seasonal demand for uniforms

Cotton yarn prices in South India continued to remain stable despite limited trade, with the market expected to remain quiet until the end of March. While there has been some demand from the school uniform segment, it has not been enough to support the yarn market. In Mumbai and Tiruppur, cotton yarn was traded at previous prices.

In Mumbai, the cotton yarn market is steady, but demand from the downstream industry is not expected to rise until the end of this month. “The current muted trend of the market was expected, as it happens every year. However, there is some demand from the school uniform segment, which is showing changing dynamics in the market. The raw material for school uniforms changes quickly and there is a focus on lower cost, which limits the varieties of yarn used in the garment segment,” a trader from Mumbai told Fibre2Fashion.

In Mumbai, 60 count carded cotton yarn of warp and weft varieties were traded at ₹1,525-1,540 and ₹1,400-1,450 per 5 kg (GST extra), respectively. The 60 combed warp was priced at ₹342-345 per kg. 80 carded (weft) cotton yarn was sold at ₹1,440-1,480 per 4.5 kg. 44/46 count carded cotton yarn (warp) was priced at ₹280-285 per kg. 40/41 count carded cotton yarn (warp) was sold at ₹260-268 per kg, and 40/41 count combed yarn (warp) was priced at ₹290-303 per kg, according to Fibre2Fashion’s market insight tool TexPro.

Tiruppur’ cotton yarn market has also witnessed stability in prices. Market sentiments remain weak in the last week of the current fiscal. When asked about demand from the school uniform segment, one trader said that the market in India is so vast that the school uniform segment is too small to support the entire yarn market. Prices are not expected to receive support in the near future.

In the Tiruppur market, 30 count combed cotton yarn was traded at ₹280-285 per kg (GST extra), 34 count combed at ₹292-297 per kg, and 40 count combed at ₹308-312 per kg. Cotton yarn of 30 count carded was sold at ₹255-260 per kg, 34 count carded at ₹265-270 per kg, and 40 count carded at ₹270-275 per kg, as per TexPro.

In Gujarat, cotton was priced at ₹60,700-61,500 per candy of 356 kg, a gain of ₹200-300 per candy due to higher buying from spinning mills. Trade sources said that spinners were keen to buy cotton at higher prices, even though the mills are facing lower demand from the downstream industry.

Aggressive buying from mills shows that they are trying to build stock for the off-season period. The cotton arrival in Gujarat was estimated at 25,000 bales of 170 kg, while the all-India arrival was estimated at one lakh bales.

Source: fibre2fashion.com- Mar 24, 2023

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