

IBTEX No. 59 of 2023

March 29, 2023



CLICK HERE

To Watch Currency Outlook
by CR Forex Advisors

**NEWS
CLIPPINGS**

Currency Watch	
USD	82.34
EUR	89.16
GBP	101.41
JPY	0.62

INTERNATIONAL NEWS	
No	Topics
1	Global economy's growth speed limit to slump by 2030: World Bank
2	Six Chinese cotton firms bestowed 'sustainable cotton production' certificates
3	Australia's retail sales show slight increase in Feb 2023
4	Asia-Pacific gets lion share of 72% in UK's apparel imports in 2022
5	Italy's consumer & business confidence up in March 2023: Istat
6	Registrations open for Texworld, Apparel Sourcing NYC Summer 2023
7	Israel & UAE sign customs agreement for free trade
8	US goods trade deficit widens as exports decline
9	Germany ranks second as global exporter of used clothing, textile waste increases by 70%
10	Committed to backing textile sector investment: Ethiopian minister

DISCLAIMER: The information in this message be privileged. If you have received it by mistake please notify "the sender" by return e-mail and delete the message from "your system". Any unauthorized use or dissemination of this message in whole or in part is strictly prohibited. Any "information" in this message that does not relate to "official business" shall be understood to be neither given nor endorsed by TEXPROCIL - The Cotton Textiles Export Promotion Council.

11	US team splits cotton from polyester in blended fabric using enzymes
12	What Does Sustainability Mean for Bangladesh?
13	Pakistan: Weekly Cotton Review: Rates decline amid lacklustre business
14	Pakistan: Textile mill suspends production

NATIONAL NEWS

No	Topics
1	India's overall exports cross an all time high of US\$ 750 Billion in the 75th year of independence: Sh. Piyush Goyal
2	G20 Meeting in Mumbai deliberates on Trade Finance Cooperation among G20 Member Countries
3	India aspires to take technical textiles market to \$40 billion in 4-5 years: Goyal
4	Exporters should look at countries with which India has trade deals, says FIEO's Ajay Sahai
5	Karnataka: CM Bommai Launches Kalaburagi Mega Textile Park Under PM-MITRA Scheme, To Be Set Up In 1550 Acres Land At Cost Of Rs 1834 Crore
6	India under fire at WTO for "avoiding questions" on MSP subsidies
7	Reliance Industries completes Sintex Textiles acquisition
8	Cooling cotton prices no respite for textile industry



INTERNATIONAL NEWS

Global economy's growth speed limit to slump by 2030: World Bank

Global economy's maximum long-term growth rate, without causing inflation, is set to decline to a three-decade low by 2030, according to a new report from the World Bank.

The report shows that nearly all of the economic forces that have driven progress and prosperity over the past 30 years are beginning to fade, resulting in a projected decline in average global potential GDP growth from 2.2 per cent to 6 per cent per year for developing economies between 2022 and 2030.

The global economy can improve productivity, the labour supply, investment, and trade. If countries adopt sustainable growth-oriented policies, potential GDP growth can be increased by as much as 0.7 percentage points to 2.9 per cent annually, which would help offset the anticipated slowdown in global potential GDP growth, as per World Bank's 'Falling Long-Term Growth Prospects: Trends, Expectations, and Policies' report.

The report provided specific policy recommendations at the national level to promote long-term growth prospects. The policies include aligning monetary, fiscal, and financial frameworks to ensure stability, reducing trade costs, increasing labour force participation, and ramping up investments.

The report also stressed the need to strengthen global cooperation to catalyse trade, accelerate climate action, and mobilise investments necessary to achieve sustainable development goals.

Furthermore, the report introduced the world's first comprehensive public database of multiple measures of potential GDP growth, covering 173 economies from 1981 to 2021. It also evaluates how a range of short-term economic disruptions, such as recessions and systemic banking crises, reduce potential growth over the medium term.

Countries should prioritise taming inflation, reducing debt, and restoring fiscal prudence. These policies can help attract investment by instilling investor confidence in national institutions and policymaking. Policymakers can also make sound investments aligned with climate goals in areas such as transportation, energy, agriculture, and manufacturing, which can enhance potential growth by up to 0.3 percentage points per year, the report added.

“A lost decade could be in the making for the global economy,” said Indermit Gill, the World Bank’s chief economist and senior vice president for development economics. “The ongoing decline in potential growth has serious implications for the world’s ability to tackle the expanding array of challenges unique to our times—stubborn poverty, diverging incomes, and climate change. But this decline is reversible. The global economy’s speed limit can be raised—through policies that incentivise work, increase productivity, and accelerate investment.”

Source: fibre2fashion.com- Mar 29, 2023

[HOME](#)

Six Chinese cotton firms bestowed 'sustainable cotton production' certificates

A total of six Chinese cotton manufacturers on Tuesday were awarded with the first batch of sustainable cotton production certificates by the Cotton China Sustainable Development Program (CCDS), marking a new push to phase in China's first homegrown independent certification and evaluation system on standardizing cotton products.

The six companies include China National Cotton Group Xinjiang Cotton Limited Company, Xinjiang Lihua Group, Hubei Yinfeng Cotton, Xinjiang Guoxin Seed Industry Co, Xinjiang Guotai Cotton Industry Co and Xinjiang Jiashenghua Cotton Industry Co.

They were presented with the certificates at a press conference titled "sustainable cotton- the promise begins in the cotton field" on Tuesday held during China International Fashion Fair 2023.

The CCDS was jointly launched by the China Cotton Association and other industry organizations in June 2021, when the Better Cotton Initiative (BCI), a West-led industry standard-making body was used and manipulated by some anti-China forces in their slandering cotton produced in Northwest China's Xinjiang Uygur Autonomous Region.

With the goal of "producing and promoting sustainable cotton," it holds the principles of "environmentally friendly, excellent quality, respect for labor and fully traceable," and aims to establish the brand reputation of China sustainable cotton, Wang Jiandong, vice chairman and secretary general of the CCA, said at the press conference.

Wang told the Global Times on Tuesday that to date a total of eight producers, 13 supply chain enterprises and nine brands have participated in CCDS. And the new program has commissioned relevant companies to complete online and offline review and certification work on 1.2 million mu (80,000hectares) of cotton fields, and 170,000 tons of cotton were identified as "sustainable under the standard".

The management committee of CCSD was established on Tuesday at the conference. The committee is made up of 15 members, all from cotton and textile industries, research institutes, organizations and company representatives across the country.

"China's cotton production and consumption are ranked No.1 in the world, and the quality of Xinjiang cotton is not inferior to cotton grown elsewhere. But in terms of high-quality development, Chinese cotton still has a long way to go and it is hoped that [the new program] will help boost Chinese cotton output from seeding, plantation, manufacturing, to production," Li Jianquan, founder of Purcotton, told the Global Times on Tuesday. Li also serves as the rotating chairman of CCSD.

In 2022, China's cotton output reached 246,000 tons, up 4.3 percent year-on-year, data from the National Bureau of Statistics showed.

Source: globaltimes.cn- Mar 28, 2023

[HOME](#)

Australia's retail sales show slight increase in Feb 2023

Australian retail turnover jumped 0.2 per cent in February 2023, following a 1.8 per cent rise in January 2023. Retail turnover increased modestly across most of the states and territories, with rises at 1.0 per cent or less. Queensland recorded the only fall in turnover, down 0.4 per cent, as per the Australian Bureau of Statistics (ABS).

Of the non-food industries, department stores rose 1.0 per cent in February, followed by clothing, footwear, and personal accessory retailing by 0.6 per cent. Other retailing was the only industry to record a fall this month, down 0.4 per cent, ABS said in a press release.

“Retail sales rose modestly in February and appear to have levelled out after a period of increased volatility over November, December, and January. On average, retail spending has been flat through the end of 2022 and to begin the new year. Non-food industry results were mixed as consumers continue to pull back on discretionary spending in response to high cost of living pressures,” said Ben Dorber, ABS head of retail statistics.

Source: fibre2fashion.com- Mar 29, 2023

[HOME](#)

Asia-Pacific gets lion share of 72% in UK's apparel imports in 2022

Apparel imports of the United Kingdom from the world were recorded at \$24.394 billion during 2022. Asia-Pacific had the lion's share of 72.56 per cent in the total trade, with imports valued at \$17.7 billion in the same period. Interestingly, imports from Asia-Pacific soared 49.2 per cent compared to the previous year. The world's textile industry is concentrated in the Asia-Pacific region, comprising major exporting countries.

The imports from the region were recorded at \$13.340 billion in 2019, which eased 1.21 per cent to \$13.179 billion in 2020. It further decreased by 9.98 per cent to \$11.863 billion during 2021, according to Fibre2Fashion's market insight tool TexPro.

In 2021, the UK's apparel imports from Asia-Pacific accounted for 56.79 per cent of its total apparel imports of \$20.889 billion. The data indicated a steep rise in the share of the Asia-Pacific region in 2022 compared to 2021. The share rose to 72.56 per cent last year from 56.79 per cent in 2021.

The UK imported 32.25 per cent of its apparel from Europe, 8.44 per cent from the Middle East, 1.59 per cent from Africa, and 0.61 per cent from Central & South America during 2021. In 2022, the market share of these regions declined significantly because the share of Asia-Pacific region jumped to 72.56 per cent. It was noted that Europe accounted for 13.38 per cent, the Middle East for 9.63 per cent, Africa for 3.16 per cent, North America for 0.76 per cent and Central and South America for 0.51 per cent, as per TexPro.

The UK's total apparel imports from the world increased to \$24.391 billion in 2022 from \$20.891 billion in 2021. It was recorded at \$22.943 billion in 2020, \$25.809 billion in 2019, and \$26.502 billion in 2018. The increase in imports during 2022 compared to 2021 might cause higher prices of apparel due to a rise in the prices of raw materials.

Source: fibre2fashion.com- Mar 29, 2023

[HOME](#)

Italy's consumer & business confidence up in March 2023: Istat

Italy's consumer confidence index rose from 104.0 to 105.1 in March 2023 due to improvements in various indicators, including the economic climate, current, and personal indicators, according to the Italian National Institute of Statistics (Istat). The future climate indicator remained essentially steady, from 113.4 to 113.5. The Istat Economic Sentiment Indicator (IESI) index, which measures business confidence, also increased from 109.2 to 110.2.

The confidence climate in manufacturing ameliorated from 103.0 to 104.2. Particularly, the expectations on production and the assessments on order books went up. The related balances passed from 5.7 to 8.6 and from minus 7.8 to minus 7.5, respectively. Inventories decreased, with the balance of the variable passing from 4.1 to 3.9, as per Istat.

The retail trade confidence index confirmed its upward path passing from 114.7 to 116. Compared to the previous survey, the assessments on current business trend held virtually steady, while the expectations on the future volume of sales further improved. The related balances varied from 35.3 to 35.2 and from 23 to 26.1, respectively. Lastly, inventories were considered to have declined, with the related balance slackening from 6.3 to 5.3.

Source: fibre2fashion.com- Mar 29, 2023

[HOME](#)

Registrations open for Texworld, Apparel Sourcing NYC Summer 2023

Registration for the summer 2023 edition of Texworld New York City (NYC), Apparel Sourcing NYC, and Home Textiles Sourcing has been opened for attendees. The influential event will take place from July 18–20, 2023 at the Javits Center in NYC, US.

The co-located event continues to create opportunities to support the textile and apparel sourcing community by connecting global manufacturers and suppliers to the US market and serves as a place of inspiration for designers, buyers, and industry professionals alike, organiser Messe Frankfurt said in a press release.

Texworld NYC offers a wide product range covering the entire fabric spectrum, from casual cotton to functional fabrics and sophisticated knits to intricate laces. Apparel Sourcing NYC provides attendees direct access to suppliers specialising in ready-to-wear for men, women, children, and accessories. The expansive July event is set to feature over 60 product categories from hundreds of worldwide exhibitors including pavilions from Korea, Taiwan, and Uzbekistan. Attendees can easily find exhibitors offering ethical and sustainable products, low minimum order quantity (MOQ) manufacturers, and North American suppliers on the show floor.

More than just sourcing, Texworld NYC is a forum for the industry to learn and stay up to date on the latest innovation in textile and state of the trade industry. The summer 2023 programme, composed of Textile Talks, Explore the Floor, and the Lenzing Seminar Series, is designed to offer insightful and informative sessions for every role and level of experience across all segments of the industry. The Texworld Trend Showcase also returns to the show floor with the latest material innovations and colour palettes for the Fall/Winter 2024-2025 season, curated by New York-based agency, Doneger | Tobe.

Making a triumphant return to the show floor, Home Textiles Sourcing will showcase over 150 international exhibitors representing a multitude of countries including Turkiye and China. As a long-term joint venture partnership between Messe Frankfurt and CCPIT-TEX, Home Textiles Sourcing is the only event in North America to solely focus on fabrics and finished soft goods for all home applications.

Held annually alongside Texworld and Apparel Sourcing NYC, the show provides manufacturers, retailers, jobbers, converters, contract specifiers, and designers a dedicated avenue to locate new fabrics and products for their latest home collections. In addition to sourcing, visitors will also be able to take advantage of interactive workshops, home-specific educational seminars, and discover the latest in home textile trends.

Following a successful winter debut, Printsource New York will return to bring expanded product offerings and resources to buyers. Printsource serves as a hub for the world's top creative talent and showcases hundreds of collections by international surface and textile design studios.

The show is a key resource for thousands of apparel, paper goods, and home textile manufacturers, retailers, and catalogues. Product categories include men's, children's, and women's apparel, bed and bath, decorative fabrics, kitchen and tabletop, paper goods and stationery, wall coverings, window fashions as well as other surface and textile design applications.

Global Footwear Sourcing, a special feature area in partnership with Material Exchange and Footwear Distributors and Retailers Association, will also return to the show floor this July. The showcase will feature a wide range of product categories including shoe material components and finished footwear from both physical and hybrid manufacturers.

In addition to the attendee-favourite Lenzing Seminar Series, long-time Texworld NYC partner, Lenzing will re-introduce its exhibitor pavilion with a multitude of sustainable offerings.

Source: fibre2fashion.com- Mar 28, 2023

[HOME](#)

Israel & UAE sign customs agreement for free trade

Israel and the United Arab Emirates (UAE) have signed the final component of Israel-UAE Comprehensive Economic Partnership Agreement. The signing will make it possible for the agreement between the two countries, which was signed in May 2022, to take effect. The customs agreement was signed by UAE ambassador Mohamed al-Khaja and Israel's foreign minister Eli Cohen in the presence of Israeli Prime Minister Benjamin Netanyahu.

Issues like regulation, customs, services, government procurement, e-commerce, and the protection of intellectual property rights are covered under the agreement. It is expected to lower or cancel customs duties on approximately 96 per cent of goods and will allow Israeli companies to gain access to UAE government tenders, Israel's ministry of foreign affairs said in a media statement.

"The taking effect of the free trade agreement is important news for the Israeli economy, for the strengthening of ties with the UAE and is further testament to the importance of the Abraham Accords. We are currently striving to expand the Abraham Accords to additional countries," said minister of foreign affairs Cohen.

"This historic agreement that has been signed with the UAE continues to bear fruit for the benefit of the people of both countries. The customs agreement that was signed today will lead to the implementation of the free trade agreement between Israel and the UAE, which will reduce customs duties, lower the cost-of-living and inject energy into business between Israel and the UAE. I am certain that we will be able to expand the circle of peace between Israel and additional countries in our region," said Prime Minister Netanyahu.

The normalisation agreement between the UAE and Israel was signed in 2020 as part of the US-backed Abraham Accords. The agreement will go into effect on April 1, 2023. The agreement will help increase the scope of bilateral trade, which will lead to additional jobs in the Israeli market and will also lower the cost-of-living in Israel, as per Israel's ministry of foreign affairs.

Source: fibre2fashion.com- Mar 28, 2023

[HOME](#)

US goods trade deficit widens as exports decline

The U.S. trade deficit in goods widened modestly in February as exports declined, potentially setting up trade to be a small drag on economic growth in the first quarter.

The trade deficit increased 0.6% to \$91.6 billion, the Commerce Department said on Tuesday. Economists polled by Reuters had forecast the goods trade deficit would be little changed at \$91.0 billion.

"Today's results leave the average nominal goods shortfall for the first two months of this quarter at \$91.4 billion, which is roughly a billion dollars higher than the average for all of the fourth quarter," said Lou Crandall, chief economist at Wrightson ICAP in Brooklyn, New York.

"With the services surplus on track for a decline this quarter, net exports seem likely to exert a mild drag on the first-quarter GDP calculations after having added about half a percentage point to growth in the fourth quarter."

Goods exports dropped 3.8% to \$167.8 billion last month. The decline was led by an 11.9% plunge in shipments of motor vehicles and parts. Exports of consumer goods decreased 4.6%, while industrial supplies, which include petroleum, fell 4.2%.

Exports of food and capital goods also fell. But exports of other goods rose 4.5%.

Imports of goods slipped 2.3% to \$259.5 billion. Imports of motor vehicles and parts tumbled 7.1%, while those of consumer goods dropped 5.6%. There were also decreases in imports of food and industrial supplies. But imports of capital goods as well as other goods increased.

Despite the overall decline in imports, businesses restocked goods at a steady clip in February.

The Commerce Department also reported that wholesale inventories rose 0.2% in February after falling 0.5% in January.

Stocks at retailers jumped 0.8% after gaining 0.1% in January. They were boosted by a 1.9% acceleration in motor vehicle inventories, which followed a 0.4% gain in January.

Excluding motor vehicles, retail inventories rose 0.4% after being unchanged in January. This component goes into the calculation of gross domestic product.

A smaller trade deficit and the piling up of unsold goods at businesses were the contributors to the economy's 2.7% annualized growth rate in the fourth quarter. The Atlanta Federal Reserve early on Tuesday was forecasting that first-quarter GDP would increase at a 3.2% pace.

Source: reuters.com- Mar 28, 2023

[HOME](#)

Germany ranks second as global exporter of used clothing, textile waste increases by 70%

Germany's used clothing exports rose significantly in recent years, with the country now ranking as the world's second-largest exporter of used clothing. However, within a decade, the amount of textile and clothing waste generated in Germany has risen by 70 percent, according to the Federal Statistical Office in Wiesbaden.

In 2022, around 462,500 tons of used clothing and other textiles were exported from Germany, equivalent to 5.5 kilograms per person. Although this represented a 10.7 percent decline from the previous year, it was still a significant amount.

Poland and the Netherlands were the biggest buyers of German used clothing, accounting for one-third of all exports. Other important destinations included Belgium, the United Arab Emirates, and Turkey.

Imports of used textiles to Germany fell significantly in 2022, totaling almost 63,000 tons. The largest proportion of imports (about 41 percent) came from Great Britain, with Austria, Switzerland, and France also exporting used textiles to Germany.

Despite the decline in exports, a considerable amount of sorted used clothing and textiles end up in African countries like Ghana and Nigeria. Commercial companies often transport baled old clothes by sea, with critics noting that much of the shipped goods are unusable and end up in the garbage. This exacerbates the textile waste problem in countries such as Ghana, where used textiles are widespread and often discarded on beaches or in bodies of water.

Source: fashionatingworld.com - Mar 28, 2023

[HOME](#)

Committed to backing textile sector investment: Ethiopian minister

The Ethiopian government is committed to supporting and encouraging investment in the country's textile sector, especially in companies engaged in exports and employing youth and women. according to state minister of finance Semereta Sewasew.

She said this at a discussion held with Ashish Agarawal, chief executive officer and managing director of Kanoria Africa Textiles.

Both sides agreed to jointly work to attract more investment to Ethiopia and to work for more access to various markets, a news agency reported.

Set up in 2012, the denim manufacturing company was officially inaugurated in October 2015 and started commercial operation in April 2016. Located at Keta Industrial zone, the company employs around 1,200.

Cotton is the major raw material for the company and involves thousands of farmers across the country in Gambella, Afar, Metema, Gondar, Arbaminch and Humera & Dansa. Other raw materials like dyestuff, chemicals and stretch yarn are imported.

Source: fibre2fashion.com - Mar 27, 2023

[HOME](#)

US team splits cotton from polyester in blended fabric using enzymes

A team at the US North Carolina State University (NC State) has discovered a way to separate blended cotton and polyester fabric using enzymes. The discovery will lead to a more efficient way to recycle the fabric's component materials, thereby reducing textile waste, they hope.

However, the process needs more steps if the blended fabric was dyed or treated with chemicals that increase wrinkle resistance.

The polyester will not degrade in a landfill, and the cotton might take several months or more to break down. Using the new method, the cotton can be separated from polyester in less than 48 hours, said the study's corresponding author Sonja Salmon, associate professor of textile engineering, chemistry and science at NC State.

A 'cocktail' of enzymes was used in a mildly acidic solution to chop up cellulose in cotton. The idea is to chop up the cellulose so that it falls out of the blended woven structure, leaving behind some tiny cotton fibre fragments and glucose, a release from the university said. Glucose is the biodegradable byproduct of degraded cellulose.

The process then involves washing away the glucose and filtering out the cotton fibre fragments, leaving clean polyester behind.

"We still have some more work to do to characterize the polyester's properties, but we think they will be very good because the conditions are so mild. We're just adding enzymes that ignore the polyester," Salmon added.

The study was published in the peer-reviewed journal 'Resources, Environment and Sustainability'.

Source: fibre2fashion.com - Mar 26, 2023

[HOME](#)

What Does Sustainability Mean for Bangladesh?

That's the opinion of Ranjan Mahtani, founder and executive chairman of Epic Group, a Hong Kong-based garment manufacturer whose sprawling operations span Bangladesh, Ethiopia and Vietnam.

Speaking at the Sustainable Apparel Forum at the Radisson Blu Dhaka Water Garden in the South Asian nation's capital of Dhaka earlier this month, Mahtani recalled his personal evolution with the concept, something he now calls "very close to my heart."

"I remember 10 or 12 years ago, my sustainability experts came to me and said, 'We want solar power.' I said, 'Who's going to make these big investments?'" he said. "And today we look at this very, very differently. As an entrepreneur, obviously, you're running a business to be profitable. But what else is our responsibility? From our company standpoint, our two foremost responsibilities are people and the environment."

Those investments, prudently made, can deliver rich returns, Mahtani said. Happier workers, for one thing, are also more efficient workers. Epic Group's photovoltaic panels, for another, have helped the company better grapple with gas hikes and shortages rippling across Bangladesh, a consequence of runaway inflation and Russia's war on Ukraine. But the country, which is home to nearly 200 LEED-certified factories—the most anywhere—can do better.

"I think Bangladesh should always look toward the next step," he said. "Because yesterday's best is not good enough today."

As the world's second-largest clothing exporter—China is the first—Bangladesh is tremendously important to the fashion industry. In 2022, its nearly 4,000 export-oriented factories shipped out garments worth \$42.6 billion. This year, the government is anticipating deliveries worth \$46.8 billion. Put another way, one out of 10 garments sold in the United States hails from Bangladesh. In the European Union, it's nearly one in five.

But casting a shadow over Bangladesh's significant progress is the cost of that success. The Energy Policy Institute at the University of Chicago has rated Bangladesh the country with the world's worst air quality every year since 2018. The average Dhaka resident, one study from the school found,

loses roughly eight years of his or her life as a result of the traffic, construction and industrial pollution.

In addition, the country continues to rank among the International Trade Union Confederation's 10 worst countries for working people due to what it describes as regressive laws, opposition to union formation and crackdowns on strikes involving disproportionate brutality by the police. The International Labour Organization and the Bangladeshi government have also locked horns on the progress of the latter's alleged non-observance of conventions relating to labor inspections, freedom of association and collective bargaining. Meanwhile, the office of the U.S. trade representative has maintained its suspension of Bangladesh's trade privileges, which were put on ice following the Rana Plaza collapse in 2013. Its most recent review cited "concerns in the areas of freedom of association, collective bargaining, child labor and forced labor."

"We applaud all of the efforts Bangladesh has made over the past decade," said Peter D. Haas, U.S. ambassador to Bangladesh, at the same event. "But we still remain concerned that too many workers across Bangladesh cannot exercise basic rights to freedom of association and collective bargaining. We're also concerned that workers in export processing zones have no access to these rights at all. So we remain committed to supporting workers' rights worldwide. Because we believe that an empowered workforce is also directly linked to sustainability."

To sustain its garment sector, Bangladesh needs to "move up the value chain" by exporting higher-value-added products, which earn better prices, Haas said. He added that "strong labor protections can help achieve these goals."

There's a broad consensus, after all, that Bangladesh's 4.1 million garment workers have never been safer. Since the implementation of the Accord on Fire and Building Safety in Bangladesh, now the International Accord for Health and Safety in the Textile and Garment Industry, more than 120,000 fire, building and electrical hazards in over 1,600 factories have been fixed.

The story of Bangladesh is one of a "developmental paradox," said Naureen Chowdhury, head of labor rights at the Laudes Foundation, which collaborated with the Bangladesh Apparel Exchange to organize the event.

“I think we’re at a critical juncture given the global crises that we see via climate breakdown, inequality [and] economic turbulence,” Chowdhury said. “I think we are at the crossroads where we can continue to invest and build on the development journey that Bangladesh is on through discussions and follow-on actions. I think we have the resources, the intellectual capacity [and] the knowledge to translate our intentions or aspirations into actions for the betterment of not just the industry, but the country as a whole.”

Indeed, sustainability isn’t simply about greener factories, said Salim Rahman, managing director at KDS, one of Bangladesh’s oldest garment manufacturers, with clients such as H&M Group, Kmart and Sears.

Outside the main hall, colorful panels hung on a wall of straw and wood depicted a more expansive definition, including “green jobs,” “worker wellbeing” and “fair and equitable purchasing practices.” One banner proclaimed that “cheap fashion may be cheap in terms of the financial cost, but very expensive when it comes to the environment and human life.” Another, quoting Mahatma Gandhi, said that there is “no beauty in the finest cloth if it makes hunger and unhappiness.”

“Sustainability is the balance between the environment, equity and commerce,” he said. “It is also about how we remain commercially viable to innovation, digitization, diversification and be[ing] more productive,” he said.

This shouldn’t be the suppliers’ sole burden to bear, Rahman noted. “While as a supplier, we have been making efforts to make our production process clean, more energy efficient and environmentally friendly, buyers also have a responsibility to send support to the supplier, improving its social and environmental performance,” he said.

Lawmakers, Rahman added, have a duty to make regulatory reforms regarding due diligence. And for their part, financial institutions should be helping small and medium-sized enterprises access funding not only for sustainable improvements but also for the transition to Industry 4.0 so they can become smarter, more efficient and more profitable.

The forum’s exhibition space touted several made-in-Bangladesh wins. Upcycle Labs by PDS can turn textile waste into home decor and fire-resistant bricks, helping companies monetize their castoffs while boosting their green bonafides. At Epic Group’s state-of-the-art manufacturing

facility, real-time data collection and automation help it improve its practices. Same with Noize Jeans, whose machines use 50 percent less energy and up to 70 percent less water and chemicals to churn out denim from recycled polyester, organic cotton and hemp. Outerwear company 4A Yarn Dyeing uses rainwater harvesting to save nearly 450,000 liters of water a year. Snowtex employs renewable energy to slash its carbon emissions by 2,390 metric tons annually.

Faruque Hassan, president of the Bangladesh Garment Manufacturer and Exporters Association and managing director of Giant Apparels, said that sustainability “sits at the top” of the trade group’s agenda. The linear, cradle-to-grave model that the nation’s garment industry has followed since its inception in the early ‘80s needs to change, he said. The Bangladesh Apparel Exchange will be grappling with the subject in greater detail on June 15, when the inaugural Bangladesh Circular Economy Summit and the Bangladesh Circular Apparel & Textiles Forum takes place in the same venue.

“We want to create a sustainable future and one of the key strategies to do this is through resource accounting,” Hassan said. “The circular economy can build a pathway for green environmental sustainability and promote a regenerative economic model. While we move towards a circular economy, the speed and effectiveness of our industry have to continue to improve.”

Hassan acknowledged that awareness about environmental and social responsibility has only grown, with mandatory due diligence legislation following on its heels. The European Union is in the process of finalizing its Corporate Sustainable Due Diligence Directive. In New York State, the Fashion Sustainability and Social Accountability Act—better known as the Fashion Act—seeks to hold to account fashion companies making at least \$100 million in revenue.

But while regulation is necessary, Bangladesh doesn’t want country- or trading bloc-specific legislation but rather laws that are “accepted by all the players in the global fashion industry,” he said.

“So basically we want one level playing field across the supply chain,” Hassan said. “The fashion industry needs to agree on a globally standard approach. Otherwise, it will be too difficult for suppliers to comply with a thousand different structures.” Bangladesh should build up its capacity for

this, he added, but other supply chain stakeholders have their own “role and responsibility.”

Pointing to the recently opened Centre of Innovation, Efficiency and Occupational Safety and Health, Hassan said that the industry’s commitment is to “take R&D to the next level of sustainability and we are looking comprehensively at all the possible areas.”

“We need to put emphasis on building up a resilient and sustainable business model to overcome future challenges,” he said. “For that we need more support from the advanced economy in terms of product and fiber diversification, innovation, technological operation, rescaling and upskilling of people.”

The “existential threat” of climate threat aside, sustainability also means sustainability in prices for exporters, said Saber Hossain Chowdhury, chairman of the parliamentary body on the Ministry of Environment, Forest and Climate Change.

“Based on various studies I’ve seen, our exporters probably receive about anything from 17 to 20 percent [of the price of the product],” he said. “The rest—80 percent—is lost during intermediate layers. So how can we talk about the sustainability of the fashion industry, when the basic concept of pricing and how the price is distributed is not addressed? If we don’t do that, then conditions in Bangladesh will not improve to the extent we want them to.”

Source: sourcingjournal.com - Mar 28, 2023

[HOME](#)

Pakistan: Weekly Cotton Review: Rates decline amid lacklustre business

Cotton prices continued to decline previous week. There was a slump in international cotton market also. The ongoing crisis in the textile sector is getting worse. However, Ministry of National Food Security and Research has recommended procurement of 10 lac bales of cotton through Trading Corporation of Pakistan (TCP).

In the domestic cotton market, there was almost no buying by the ginners during the past week. Despite panic selling by the ginners there was hardly any trading activity and if there was any activity it was on credit basis. That's why there is uncertainty in the market that will remain slow in whole month Ramzan.

With every passing day, the crisis in textile sector is getting worse. The news regarding closure of cotton looms, garments factories and sizing factories were circulating in the market and as a result the crisis can deepens further. Financial crunch is increasing in the market due to lack of business.

However, the cotton yarn market is also at a standstill. Spinners have sold cotton yarn in a large quantity on credit. There was almost no import, as a result of which there is a severe financial crisis and payments are becoming extremely difficult.

The situation of PC yarn is also not much different. In this situation according to All Pakistan Textile Mills Association (APTMA) doing business is almost difficult.

On the other hand, the economic and political situation of the country has already gone worse. Higher sales tax rates, energy crisis and news of further interest rate hikes will increase the crisis.

However, the government has taken timely positive steps to increase the production of cotton for the next season, due to which the production of cotton is expected to increase. The production target of cotton for the next season has been set at 12.77 million bales. The NFSR has also recommended procurement of 10 lac bales through TCP to keep the intervention price stable and has asked for the formation of a Cotton Price Review Committee (CPRC) to monitor it, which is a welcoming sign.

In the province of Sindh, the price of cotton has further decreased to Rs 17,000 to Rs 18,500 per maund. The rate of Phutti, which is available in small quantity, is in between Rs 5,500 to Rs 8,300 per 40 kg.

The price of cotton in Punjab is in between Rs 17,500 to Rs 18,500 per maund while the rate of Phutti is in between Rs 6,000 to Rs 8,700 per 40 kg. There is a decrease in demand and prices of Banola, Khal and oil.

The Spot Rate Committee of the Karachi Cotton Association decreased the spot rate by Rs 300 per maund and closed it at Rs 18,700 per maund.

Chairman Karachi Cotton Brokers Forum Naseem Usman has said that a bearish trend prevails in international cotton market due to recession. The rate of Future Trading of cotton after decreasing is in between 76 American cents to 80 American cents per pound

According to USDA's weekly export and sales report for the year 2022-23, as many as three lac, ten thousand and two hundred bales were sold. Vietnam was at the top by purchasing one lac, fifteen thousand and three hundred bales. China bought ninety five thousand and nine hundred bales and came second. Bangladesh bought 30,000 bales and came third. Turkey bought twenty five thousand and one hundred bales and stood at the fourth place. Pakistan bought 15700 bales and ranked fifth.

Twenty one thousand and three hundred bales were sold for the year 2023-24. Guatemala topped the list by purchasing 9,600 bales.

Japan bought 5,300 bales and came second. Pakistan bought 4,400 bales and stood at the third position. Vietnam bought 1,300 bales and ranked fourth. Peru was at fifth with 700 bales.

As the government failed to solve the economic problems including the issues of the industry it is feared that around seven million workforce of the industry is being affected due to the closure of industries or decrease in their productivity. Out of these affected workers, four million are the textile workers. This was disclosed by Mohammad Javed Balwani, Coordinator Value Added Textile Forum during a meeting with the representatives of the value-added sector at PHMA House.

Recently, a seminar was organized by Frontier Corps Kalat Scouts, Pak Army 33-Division Khuzdar in Balochistan University of Engineering and Technology, Khuzdar on better production of cotton. It was attended by

renowned agronomists from across the country, along with DGs of Balochistan Agriculture Department and Agriculture Extension, representatives of WWF and various fertilizer companies, Vinod Kumar from PCGA, Khizr from LDC, and Zaheer Babar from Surti Textile. It was also attended by Chairman Pakistan Cotton Brokers Association Chairman Major Muhammad Kashif Islam (retd) and Adil Naseem. Local farmers' organizations, representatives of large landowners and focal persons of various agricultural institutions were also present.

In this seminar, the farmers were informed about the methods of better production of cotton, while the agricultural experts informed in detail about the development of the agriculture sector and its problems and difficulties.

Speaking on this occasion, Colonel Hafiz Kashif Rashid, Commandant of Frontier Corps Kalat Scouts, said that the livelihood of most of the people of Balochistan depends on the agriculture sector. The weather is also very moderate, but due to the lack of information regarding modern requirements, the farmers are completely deprived of the fruits of their years of hard work.

He said that there is no doubt that economic development is closely linked with agriculture development adding that with agriculture development economic development is not possible. The province will be prosperous with the economic prosperity of the farmer.

Director General Agriculture Engineering Water Management Bashir Ahmad Agha and Director General Agriculture Research Inamullah said that Balochistan province has been blessed by Allah, the Almighty with fertile land, moderate climate and hardworking people.

The speakers told the participants about the benefits of growing organic cotton with the advice of certified agronomists to get the best results. Apart from this, they were told about the various schemes of the Balochistan government which have been started for the farmers.

Chairman of Pakistan Cotton Brokers Association Major Muhammad Kashif Islam (retd) thanked the farmers of Khuzdar that despite adverse conditions, Balochistan is producing good quality cotton. He also said despite so much potential here, the process of progress is slow.

In Balochistan, if the coordination of agricultural institutions and LEAs gets better and these institutions take ownership of cotton, then this province can produce a crop which can full fill the demands of the whole country.

The objective conditions here are different from the rest of Pakistan. At the same time, if the basic needs like farm-to-market roads, electricity and cheap agricultural inputs are provided and awareness campaign for better management of water launched the farmers and their families will be highly benefited.

The production deficiency of cotton in Sindh and Punjab can be met from Balochistan instead of imported cotton, where improvement in both quantity and quality is possible.

Chairman PCBA stressed on the smoothness and quality control in the transportation of cotton. He said that it is possible to obtain cotton/ lint from grade III to grade 1 very easily from here. He requested the ginneries of Balochistan that once again the cotton grading system is being revived with the cooperation of PCBA, PCGA and PCSI. He said these bodies should involve volunteer ginneries so that they can get good price for their PCSI certified graded cotton. PCBA will try to market this certified cotton seed. This will also be beneficial for the farmers.

Moreover, if focused on zoning of cotton at this stage, it will be more beneficial and it can also be easily implemented at this stage.

Talking about cotton seed, the chairman said that because Pakistani agricultural scientists have failed miserably, whatever the reason may be, money is not available for R&D, time is not available, there are no qualified agricultural scientists and the government is not paying attention.

He suggested that in order to deal with this situation, the private sector should be allowed to import cotton seeds like the seeds of other crops. In this way an environment of healthy competition can be created and better quality and quantity of cotton crop can be introduced in Pakistan, as well.

It was also suggested that such seminars should be held frequently. At the same time, increasing production of cotton in Balochistan is a game changer which will play a big role in the economy of Pakistan. The whole of Pakistan should know about this factor. It can only be possible with better communication.

However, the absence of representatives of APTMA and KCA in the seminar was strongly felt.

Lastly, it was suggested that if the Khuzdar industrial area can be revived, a lot of foreign industrial investment could come here. There is lot of potential in this area and communication is easy because of road network. The law and order situation will be improved as the employment rate increases.

There are lot of opportunities for other big textile groups such Surti Textiles, Artistic Group, Safire and Gul Ahmed to invest in Balochistan. In this regard PCBA is ready to solve the problems faced by the industry.

However, addressing the annual meeting of the Agricultural Research Committee of Pakistan Central Cotton Committee PCCC in CCRI, Cotton Commissioner Dr Zahid Mehmood said that the Ministry of National Food Security is implementing the plan for the rehabilitation and development of cotton and its promotion. Dr. Taswur Hussain Malik said that the public and private sectors have to make a joint effort to deal with the changing weather conditions and other challenges faced by cotton crop.

Source: breccorder.com- Mar 27, 2023

[HOME](#)

Pakistan: Textile mill suspends production

Khalid Siraj Textile Mills Ltd (KSTML) said on Monday it's shutting down operations until May 31 owing to political unrest, import restrictions and an "unchecked" increase in the dollar rate.

"These factors have increased inflation, undermined the rupee, driven up cotton prices, driven up the cost of electricity per unit and, most importantly, harmed business confidence," it said.

The textile maker has joined a steadily growing number of firms that've shut their plants because the country has run out of dollars to pay for the import of industrial raw materials.

Dozens of listed firms, especially in the textile and auto sectors, have faced supply-chain disruptions in recent months. The government has failed to revive the International Monetary Fund (IMF) loan programme for months on end. The Washington-based lender has withheld fresh disbursements on account of Islamabad's failure to fulfil the loan's preconditions. The delay in the staff-level agreement with the IMF has also postponed the inflow of dollars from friendly countries, further deepening the foreign exchange crisis.

Meanwhile, shareholders of Reliance Cotton Spinning Mills Ltd approved a resolution in an extraordinary general meeting on Monday allowing an equity investment of up to Rs1 billion in Sapphire Fibres Ltd, an associated firm, at the going rate on the stock exchange.

The announcement resulted in the share price of Sapphire Fibres Ltd rising 3.9 per cent to Rs1,067.37 over the preceding close.

Associated companies, including Reliance Cotton Spinning Mills Ltd, already control almost 52pc

shareholding in Sapphire Fibres Ltd. The general public owns a little over one-fourth of the total shareholding in the textile maker.

Separately, Synthetic Products Enterprises Ltd (SPEL) made a public announcement on Monday to start buying back up to 9.98 million of its shares from the stock market at the going rate March 31 onwards.

The size of the transaction should hover around Rs114.7m at the prevailing share price of Rs11.49 apiece. The targeted volume constitutes 5pc of the plastic maker's total outstanding shares.

Many listed companies have carried out share repurchase exercises in the ready market in the recent past. According to buyback data compiled by Arif Habib Ltd, companies that have completed their share repurchase exercises since May 2022 are Maple Leaf Cement Factory Ltd, Netsol Technologies Ltd, JDW Sugar Mills Ltd, Bank Alfalah Ltd and Lucky Cement Ltd. Companies that have either started or only announced their buybacks include Engro Corporation Ltd, Kohat Cement Company Ltd and Kohinoor Textile Mills Ltd.

SPEL will keep repurchasing the stocks until September 20 or the date when the targeted volume is achieved. After the buyback exercise, the company's free float — shares that're available for the public to buy and sell — will have gone down from 25pc to 20pc.

Meanwhile, Packages Ltd said on Monday its consolidated net income for 2022 amounted to Rs6.9bn, down 2.38pc from a year ago.

The company also announced a cash dividend for ordinary shareholders at Rs27.50 apiece.

Source: dawn.com- Mar 28, 2023

[HOME](#)

NATIONAL NEWS

India's overall exports cross an all time high of US\$ 750 Billion in the 75th year of independence: Sh. Piyush Goyal

Union Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Shri Piyush Goyal announced that India's overall exports, that includes services and merchandise exports, have crossed US\$ 750 Billion today. This is an all time high and this achievement of 750 billion comes in the 75th year of independence as we celebrate the Azadi Ka Amrit Mahotsav.

In his address, Shri Goyal highlighted how the exports have risen from US\$ 500 Billion in 2020-2021 to this figure in extremely challenging times.

In his keynote address at the ASSOCHAM Annual Session 2023: Strengthening India's Competitiveness in New Delhi today, the Minister stated that there has been healthy growth in both merchandise and service sectors. He said that given the fact that the whole world is in recession, inflation is at an all time high for most developed countries, interest rates are shooting up and there's a sense of doom and gloom in the rest of the world, India's performance fills us with pride.

The Minister recalled that Prime Minister Narendra Modi had said from the ramparts of the Red Fort on Independence Day that we should get rid of the colonial mindset and recognise our roots and our strengths. He noted that the 5 Prans articulated by the PM will lead to a developed Bharat@100 in 2047 when we celebrate the centenary of our Independence and said that we all need to work with a sense of duty in the spirit of these 5 Prans.

The Minister said that the theme of the event "Bharat@100: Paving the way for inclusive and sustainable global growth" converged with the aspirations of the country's youth and an emerging young Bharat. He also said that the people desire to see India as an economic superpower leading the world in meeting global challenges. He observed that the world also sees India as a leader on multiple fronts.

He observed that ASSOCHAM should lead from the front in the journey of Bharat@100. He also noted that the focus of the Government is in ensuring that the basic needs of more and more families are being met and that as we move ahead, growth will not only be measured in terms of economic progress but also in terms of social progress & human development indicators along with other factors. He observed that with more than 80 Crore people in the country using the internet in this interconnected world, we have a whole new aspirational Bharat and the youth of our country today is demanding more and we need to work together to meet the aspirations of the citizens of the New Bharat.

The Minister stated that the domestic market has been growing steadily and over the last 9 years the focus has been on building the foundation blocks which are necessary for an economy to have many years of uninterrupted and sustainable growth. He noted that the first decade in the journey of a developing country becoming a developed country focussed on creation of strong fundamentals, economic framework and stable regulatory practices to attract domestic & international capital. The Minister stated that India is undergoing such a journey and India is lucky to bank upon its large domestic market and also access the whole wide world.

The Minister stressed upon the fact that the effort of the Government to make India self-reliant is about not closing doors but further opening them wider with the objective of letting competitive and comparative advantages determine international trade. He expressed hope that each country finds its niche in global trade and the entire world progresses in a sustainable manner. The Minister opined that policymakers need to look at the entire value chain to find out the industries or sectors in which India is most cost competitive, has an edge over others, has niche and some differentiating factor and push for the growth of such industries or sectors. He illustrated this point by stating that the Renewable Energy sector is one such area where India can become the global leader by exploiting the huge export potential and also promote the production of goods & services with least carbon impact.

He noted the various initiatives undertaken by the Government for the development of infrastructure like National Infrastructure Pipeline, PM Gati Shakti, Unified Logistics Interface Platform, etc. built upon technology as the backbone of such initiatives. He further appreciated how UPI has democratized the financial payment infrastructure and Open Network for Digital Commerce will promote e-commerce.

The Minister said that India's strong macroeconomy, robust foreign exchange reserves, relatively low inflation and entrepreneurial spirit under the leadership of Prime Minister have brought together the domestic ecosystem to not only to replace items from the import basket but achieve economies of scale and compete in the international market. He expressed that India's ability to innovate, R&D, spirit of enquiry and out of the box thinking is being witnessed by the world today and all this is reflective of the new spirit of Bharat.

The Minister said that the Free Trade Agreements (FTA) signed by India with Australia and UAE have been welcomed by industry across the three countries and there has been positive feedback across media platforms. The speed, quality and extensive stakeholder consultations resulting in finding the right equitable balance has been appreciated by all sections, said the Minister. He also stated that a series of FTAs are under different stages of discussion to further expand the trade of India and will further open up game changing opportunities for the economy.

The Minister said that this is India's moment in the Sun and lauded the vision of the Prime Minister who had said that this is the time, this is the right time. He further said that the G20 presidency has given a unique opportunity to position India globally and this must be leveraged by the industry and businesspersons to showcase India's business across the world.

Source: pib.gov.in- Mar 28, 2023

[HOME](#)

G20 Meeting in Mumbai deliberates on Trade Finance Cooperation among G20 Member Countries

An international conference on cooperation on trade finance among the G20 member countries was organised by the Ministry of Commerce & Industry on March 28, 2023 at Taj Lands' End, Bandra (West), Mumbai.

The event was hosted by the Department of Commerce and organised by ECGC Limited and India EXIM Bank on the side lines of the 1st G20 Trade and Investment Working Group (TIWG) Meeting in Mumbai. Delegates from the member countries, industry and academic experts from across the world were present at the conference to engage in constructive dialogue and exchange of ideas in the domain of trade finance.

Commerce Secretary, Shri Sunil Barthwal, in his key note address, set the agenda for the meeting. He highlighted that it is the right time to discuss the issues facing trade finance and possible solutions.

Two panel discussions were organised as part of the event comprising of international experts. The first panel discussed the role of banks, financial institutions, development finance institutions, and Export Credit Agencies to identify the gaps and address the challenges in the trade finance arena amidst the uncertain global trade landscape.

The second panel discussion focused on accelerating digitalisation and fintech solutions for improving access to trade finance.

The session also delved on the current and emerging fintech solutions for making more customized lending decisions and enhancing trade finance supply for MSMEs.

The universal message from all the speakers in the conference highlighted the necessity of trade for ensuring prosperity for all and that inclusive trade finance is key to achieve this target.

Digitalisation of international trade is possibly an effective solution towards achieving cost reduction in trade and trade finance. The challenges to be addressed in digitalising trade were identified as international cooperation in harmonising definitions, standards and data sharing across the borders digitally.

While estimates suggest that traditional trade finance gap is currently around USD 2 trillion, bridging the gap needs more players, including multilateral development banks, Export Credit Agencies (ECAs), etc to increase their participation.

Evolution of fintechs and account aggregators in the ecosystem enables transaction risk evaluation based on real time data. This will enable cost effective appraisal by trade finance providers.

The panellists recommended that all nations should endeavour to adopt enabling legislation in the next few years to achieve paperless international trade.

Source: pib.gov.in- Mar 28, 2023

[HOME](#)

India aspires to take technical textiles market to \$40 billion in 4-5 years: Goyal

Union Minister Piyush Goyal on Friday said India aspires to take its technical textiles market to \$40 billion in the next 4-5 years from \$22 billion at present. In a virtual address at a conference on geo textiles, the Textiles Minister also expressed hope to build a domestic technical textiles market of up to \$300 billion by 2047.

Currently, India is the fifth largest producer of technical textiles in the world with a market size of nearly \$22 billion. To achieve these objectives, Goyal underlined the need to focus on improving productivity at manufacturing and supply-chain levels. Technical textiles are functional fabrics that have applications across various industries including automobiles, civil engineering and construction, agriculture, healthcare, industrial safety, personal protection etc.

"We will have to introduce economies of scale and also have to work on research and development to innovate and come up with attractive products which are in the future going to become global brands. "For this purpose, robust inter-ministerial coordination is happening which will pave the way for the development of the technical textiles market in India," he added.

Pointing out that global demand for geotextiles is also growing strongly, the minister expressed confidence that on the back of robust growth in infrastructure being created in India, the country will be able to contribute significantly to an increased market potential in geotextiles and technical textiles.

"India today is aspiring to take its technical textiles market to at least \$40 billion in the next 4-5 years. While it is a huge task, we think we can achieve it, provided we all work together," Goyal said. The minister assured that the government is deeply committed to working with all stakeholders to generate demand, strengthen research, bring out new applications for technical textiles and promote startups to bring innovation.

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

[HOME](#)

Exporters should look at countries with which India has trade deals, says FIEO's Ajay Sahai

Trade, import and export for MSMEs: For a micro and small enterprise promoter looking to venture into the highly competitive export market globally could be a bit puzzling. In the post-Covid world amid supply chain-related issues due to the Russia-China war and downturn in global trade with the looming recession, picking the right market for export from around 195 countries India trades with calls for right planning and execution.

There could be various elements for an exporter to figure out before choosing his/her first market to export goods such as tradition – which countries are, traditionally, big buyers of products or service you offer; demand – which countries or regions may seek your products; geopolitical climate – how favourable is the political scenario of your selected market, etc.

Moreover, it is also critical to look at various strategies available to test the markets, how can products be adapted to cater to the needs of the new market, the risks involved, etc.

Ajay Sahai, Director General and CEO of the apex body of Indian export promotion organisations Federation of Indian Export Organizations (FIEO) in an interaction with FE Aspire explains how first-time exporters can identify their export markets, what role the free trade agreements, which India has with multiple countries, can play in boosting exports, and more.

[Click here for more details](#)

Source: financialexpress.com- Mar 28, 2023

[HOME](#)

Karnataka: CM Bommai Launches Kalaburagi Mega Textile Park Under PM-MITRA Scheme, To Be Set Up In 1550 Acres Land At Cost Of Rs 1834 Crore

Chief Minister Basavaraj today (March 28) laid the foundation stone for Karnataka's mega textile park at Kalaburagi district that will set up under the PM Mega Integrated Textile Regions and Apparel (PM MITRA) scheme.

The mega textile park will come up on 1,550 acres of land, and the total cost of the infrastructure development of the park will be Rs 1,834 crore.

The park will have plug-and-play manufacturing facilities and all the common amenities, including effluent treatment plants, accommodation for workers, skill training centres and warehouses. The park is envisioned to attract investment from companies looking to scale up, requiring integrated manufacturing facilities in one location.

Kalaburagi Mega Textile Park

CM Basavaraj Bommai-led BJP government has already earmarked 1,550 acres of land in Firozabad, Nadisinnur, and Kiranagi villages in Kalaburagi district.

Over 1,000 acres of the land have already been transferred to the Karnataka Industrial Development Board, which is the agency to develop the infrastructure facilities for the textile park.

Addressing the gathering during the launch, CM Bommai said that besides boosting the textiles sector in line with the 5F (Farm to Fibre to Factory to Fashion to Foreign) vision, the mega textile park would also benefit the local ancillary industries.

CM Bommai expressed optimism that the ambitious project will help stem migration from Kalyana Karnataka region to big cities such as Hyderabad and Mumbai in search of livelihood options by generating jobs for the local people.

Bommai said that the textile industry is the third primary industry in the country in terms of employment generation after the energy and coal industries.

Bomma predicted that Kalaburagi will emerge as a major investment location consider its strategic location and infrastructure including connectivity.

"Over 1 lakh people will get direct employment from this mega textile park," according to Kalaburagi MP Dr Umesh Jadhav.

Union Minister For Textiles, Commerce and Industry Piyush Goyal participated in the event virtually. Union Minister Of State For Textiles Darshana Jardosh, Union Minister of State for Chemicals and Fertilizers Bhagawanth Khuba, State Minister for Large and Medium Industries Murugesh Nirani, Kalaburagi MP Dr.Umesh Jadhav, among others, were present during the occasion.

Funding and Execution

On March 17, the Union Government announced seven mega textile parks under the Rs 4,445-crore PM MITRA scheme.

Under the first phase of the PM MITRA scheme, large textile parks spread across at least 1,000 acres.

The mega textile 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 Ministry of Textiles will oversee the execution of the mega textile park projects. A special purpose vehicle (SPV) owned by the Centre and State Government will be set up for setting up and operationalising each park.

The Ministry of Textiles will provide financial support through development capital support up to Rs. 500 crores to the Park SPV.

A competitive incentive Support (CIS) of up to Rs 300 crore per park to the units in PM MITRA Park shall also be provided to incentivise speedy implementation.

State governments will be responsible for providing contiguous and encumbrance-free land parcels of at least 1000 acres of land. They will also facilitate the provision of all utilities, a reliable power supply and water availability and waste disposal system, and an effective single window clearance system.

Selection Process

Seven sites were chosen out of 18 proposals for PM MITRA parks which were received from 13 States.

Eligible states and sites were evaluated using the 'Challenge Method' based on a set of criteria, including connectivity, existing ecosystem, textile/industry policy, infrastructure, utility services etc. PM Gati Shakti-National Master Plan for Multi-modal Connectivity was also used for validation.

On October 13, 2021, Karnataka government submitted an initial proposal to the Union government requesting setting up of a park in Kalaburagi, Tumakuru and Vijayapura. The state government finally narrowed down the choice for the location of the mega textile park to Kalaburagi

Source: swarajyamag.com- Mar 28, 2023

[HOME](#)

India under fire at WTO for “avoiding questions” on MSP subsidies

India has come under fire at the World Trade Organization (WTO) for “avoiding questions” raised by members on its minimum support price (MSP) programmes for food grain, particularly for rice where its subsidies have breached prescribed limits, with some alleging that it did not give sufficient replies to concerns raised by them during consultations.

Members such as the US, Australia, Canada, the EU, and Thailand, at a WTO agriculture committee meeting on Monday, said India must reply to questions asked on its public stockholding (PSH) programmes at the committee, sources said.

“India, however, stuck to its guns and insisted that it provided the best possible information and clarifications at the consultations held with interested members based on available information. It also said that some of the questions raised were already addressed in earlier responses,” the source said.

Peace clause

India’s MSP programmes are under scrutiny at the WTO as it is the first country to invoke the Bali ‘peace clause’ to justify exceeding its 10 per cent ceiling (of the total value of rice production) for rice support in 2018-2019 and 2019-2020.

While the ‘peace clause’ allows developing countries to breach the 10 per cent ceiling without invoking legal action by members, it is subject to onerous notification requirements and numerous conditions such as not distorting global trade and not affecting food security of other members.

WTO members, including the US, have been accusing India of habitually not including the full required information in its notifications. Some members had pointed out earlier that while it was mandatory to report all public stockholding programmes under the ‘peace clause’, India had not been doing so and the country also did not have an adequate monitoring mechanism to ensure no stocks were exported.

‘No obligation’

New Delhi had said that it provided data on the value of production (VoP) for several crops and it did not have any obligation to notify any public stockholding programmes other than for the crop where subsidy limits were breached.

During the agriculture committee meeting, the US, Brazil, Canada, Ukraine, Thailand, the EU, and Australia notified the committee of all questions that they had raised in their individual consultations with India and said that the country should make replies to the committee and not avoid the questions.

India, however, said that it was not under any obligation to give written replies as consultations are typically oral exchanges and it had provided information and clarifications to the best of its ability, the source said. “India also said it could provide further clarifications on the remaining concerns of members by submitting a corrigendum to its earlier Bali annex notifications,” the source added.

The countries that raised concerns said they were disappointed with India’s answer and some said that they were waiting for New Delhi to confirm the second round of consultation with members.

Source: thehindubusinessline.com- Mar 28, 2023

[HOME](#)

Reliance Industries completes Sintex Textiles acquisition

Mukesh Ambani-promoted Reliance Industries, India's biggest company by market value, has completed its Rs 3,567-crore acquisition of textile company Sintex Industries exactly a year after banks had approved the acquisition and a month after the National Company Law Tribunal (NCLT) approved the transaction.

The money was transferred and distributed to banks late evening, completing the resolution of the sick company on Tuesday, two people familiar with the development said.

"Both operational creditors and financial creditors including banks have received the money on Tuesday. For public sector banks, this is a big relief just before the end of the financial year as this account was fully provided for and will result in a full write back which will directly enhance bottomline," said one of the persons cited above.

The lead lender, Punjab National Bank (PNB), received Rs 700 crore from the transaction, followed by Bank of Baroda (BoB) at Rs 533 crore. Exim Bank of India, which was the third largest creditor, stands to gain Rs 389 crore from this resolution.

A Reliance spokesperson did not immediately reply to an email seeking comment.

Reliance had jointly bid for Sintex along with Assets Care & Reconstruction Enterprise (ACRE). It had received approval to acquire the debt-laden textiles firm from the Committee of Creditors (CoC) of Sintex on March 20 after more than 97% of the lenders had voted in favour of the plan.

However, litigation around the transaction, issues linked to claims of related parties and some government refunds delayed the case.

The NCLT finally approved the plan in February this year rejecting unsecured creditor Axis Bank's appeal for an equitable distribution.

Lenders had agreed to settle Sintex's total debt of Rs 7,719 crore at a haircut of 54% from among four resolution plans submitted to creditors.

This is RIL's third acquisition through the bankruptcy process. In 2020, it had completed the acquisition of another distressed textile company, Alok Industries, in association with JM Financial Asset Reconstruction Co.

Most recently, in December 2022, its telecom arm Reliance Jio completed a Rs 3,720-crore transaction to acquire RCom's tower and fibre assets, Reliance Infratel Ltd.

Source: economictimes.indiatimes.com- Mar 29, 2023

[HOME](#)

Cooling cotton prices no respite for textile industry

Once known as the Manchester of the East, Ahmedabad put Gujarat's textile industry on the world map, being home to the entire value chain of textile manufacturing. Since the Covid-19 pandemic began, players in this textile hub are being ground down with underutilized capacity, dwindling demand and rising production costs.

The financial year 2022-23 was no different, with sky-high cotton prices as prime culprit. While cotton prices have recently cooled to Rs 61,000 a candy (356kg), about 45% down from their peak of Rs 1.1 lakh, there is no silver lining for the textile industry. With cotton from India being more expensive than from other producers, textile makers in Gujarat are unable to compete against their counterparts in China, Vietnam and Bangladesh.

As orders atrophy, capacity utilization has plunged to about 65%, industry players say. Rahul Shah, co-chairman of the GCCI textiles taskforce, said, "Our industry has lost competitiveness globally in the last year. Indian cotton used to be at least 5% cheaper than international rates.

With the reduced cotton output, prices firmed up significantly. Despite the recent softening, effective rates remain higher than in the international market." "Low cotton yield is a growing concern. Spinning mills were compelled to stop operations in the unprecedented situation that unfolded last year," he said.

Source: timesofindia.com- Mar 27, 2023

[HOME](#)
