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NEWS CLIPPINGS

Currency Watch	
USD	82.81
EUR	89.50
GBP	102.96
JPY	0.60

INTERNATIONAL NEWS

NATIONAL NEWS	
No	**Topics**
1	ONDC is an engine of growth that has the potential to redefine the industry completely: Shri Goyal
2	India's commerce secretary outlines ambitious investment & PLI plans
3	Shipping Ministry to provide 30% financial support for promotion of green shipping
4	Indian forex reserves up $3.553 bn to $599.529 bn
5	Cotton prices take a knock as farmers offload stocks
6	Small-scale textile mills in Tamil Nadu reduce production
7	Spinning mills suffering loss of Rs 20-25 per kg of yarn: Industry body
8	India size for apparel, shoes close to rollout
9	Industrialist and philanthropist Karumuttu T Kannan passes away at 70
10	Polyester price drop fuels north India's cotton yarn price decline
11	Telangana govt to set up textile clusters in Dubbaka

INTERNATIONAL NEWS

With EU's GSP+ Trade Benefits on the Line, Questions Abound in Bangladesh, Sri Lanka, Pakistan

Who will be the winners and losers of the European Union's GSP+ in 2024?

As the European Union's generalized system of preferences scheme (GSP) comes to an end on December 31, 2023, renewals and commitments for the next round have sparked concern and alarm in Bangladesh, Pakistan and Sri Lanka.

Manufacturers in Asia are worried that they won't able to to fulfill the increasingly stringent conditions they expect the European Union to announce under the new EU GSP for 2024-34.

GSP+, which allows exporters to the European Union to pay lower duties or none at all, is a way of helping developing countries to alleviate poverty and create jobs based on international values and principles.

Eligible countries must adhere to 27 international conventions on human rights, labor rights, the environment and good governance.

The new GSP+ rules are expected to take effect from 2024-2034, and include additional conventions on the rights of persons with disabilities, involvement of children in armed conflict, labor inspection and trans-national organized crimes, among other stipulations.

Several of the countries have already been threatened with have their GSP+ tax benefits reviewed or revoked for not adequately meeting these requirements.

Sri Lanka

Sri Lanka, particularly vulnerable amid runaway inflation and a crumbling economy, has been looking at ways to get back in good standing.

"Our point is that the GSP+ plays a role in developing the industry," Yohan Lawrence, president of JAAF, the Joint Apparel Association Forum, an apparel industry coalition in Sri Lanka, told Sourcing Journal. "This is especially affecting the companies in the war-torn North and the East. After the conflict the government reached out to a lot of companies to move there," he said. "There are a number of factories in this area, and many of them are working for the European customers, many of them are reliant on this business."

Lawrence framed the GSP+ program as a "vital piece" of the Sri Lankan garment sector's recovery. "Obviously our competitiveness is an issue, and GSP plays a role in the rebuilding of the economy, and we should be looking to do it," he said.

"JAAF's position is that it is impressing on the government it is necessary that the GSP process be continued. We are not really privy to what is going on but the government recognizes how important it is," added Lawrence.
Shiran Fernando, chief economist, The Ceylon Chamber of Commerce, said removing GSP+ would increase FOB prices by approximately 12 percent. He said that although the present scheme expires on Dec. 31, 2023, it would roll over until 2025. It also doesn't affect the entire apparel sector.

"The GSP covers approximately 50 percent of the apparel sector because of the restriction on rules of origin. It is connected to the fabric base, you have to go from yarn to fabric and fabric to garment, and since Sri Lanka imports part of this, that part becomes ineligible for GSP," Fernando said, adding, "Other than that it covers all the products, no restriction over products, just on rules of origin."

"Whenever GSP has come up for a review it has always been a concern," said Fernando about the general sense pervading the industry.

Sri Lanka's access to the GSP+ benefits has already fallen under review, with EU members alleging that South Asian nation failed to adhere to several of the commitments it had made, mainly regarding human rights. "Now there is also a concern with the macro situation, the global demand, as well as the inflation and other factors within the country," he added.

The inflation rate in Sri Lanka exceeded 70 percent last year, but reforms linked to IMF have brought it down to about 40 to 50 percent.

But there "is always ongoing work that is taking place and the industry is applying towards it as well, working closely with different development partners and the government as well," Fernando said.

Sri Lanka exported $5.4 billion apparel last year, $ 1.6 billion of which went to the European Union.

Bangladesh

Bangladesh, the second-largest apparel exporter in the world after China, is also thinking of what lies ahead.

The country, which exported approximately $40 billion of apparel in the financial year from July 1 to June 30, 2022 is expected to touch $45 billion in the financial year ending June 30, 2023.

Bangladesh, which is covered under a separate Everything but Arms scheme, in which sourcing of the fabric and other materials is not a factor. “It’s all about the preparation,” said Dr. Khondaker Golam Moazzem, research director, Centre for Policy Dialogue (CPD), a Bangladesh think tank. “The EU and UK have extended Everything But Arms (EBA)scheme that we enjoy as a Least Developed Country to 2029, although we graduate to a middle income country in 2026.

“What is worrying is that Bangladesh hoped to get into GSP+. But their condition is the ceiling on market share, Bangladesh export is above that share and that is a factor that needs negotiation,” he said.

“In addition, the compliance is quite stringent which will be monitored more strictly for the GSP plus, including in terms of labor, governance, child rights, environmental standards, etc. We don’t allow trade unions in export processing zones [and] there are other concerns about the trade union rights. So those will also be under scrutiny…and will be difficult on all counts,” said Moazzem.

Last week, Charles Whiteley, European Union Ambassador to Bangladesh, emphasized this notion, while pointing out that Bangladesh must comply with 32 international conventions in order to secure GSP+ facilities by 2029, he said at the twin ceremony in Dhaka commemorating Europe Day and the 50th anniversary of EU-Bangladesh diplomatic relations.

Noting the importance of seamlessly transitioning to GSP+, Whiteley said, “We’re also working and will launch this year negotiations on a new-generation agreement, which is a partnership and cooperation agreement, or PCA.”

Diplomats from the EU countries present at the event included German Ambassador Achim Tröster, Swedish Ambassador Alexandra Berg von Linde, Danish Ambassador Winnie Estrup Petersen, Netherlands Ambassador Anne van Leeuwen, and Italian Ambassador Enrico Nunziata, among others.

The discussions on GSP+ have been amplified over the past year.

In July 2022, a visit to Dhaka by a six-member delegation of the European Parliamentary Committee on International Trade urged Bangladesh to improve its rights situation and update labor laws to comply with international standards to be eligible for GSP+.

Concerns over the delay in amending the labor law, extrajudicial killings, enforced disappearances, shrinking of civic space and Digital Security Act were among the specific areas in need of reform, according to the delegation.

Pakistan

The situation is somewhat different in Pakistan.

Having this facility since 2014, with zero import duties on 66 percent of the tariff lines mostly in the textiles, leather, sports and surgical goods sectors, the implementation of the 27 UN conventions relating to human rights, labor rights and climate change has already been under review.

In contrast to Bangladesh and Sri Lanka where the lobbying for GSP plus is supported by the industry, disagreements between the requirements for GSP plus by the industry need careful balancing.

According to industry analysts, EU's focus on human rights issues, including freedom of religion or belief, importance of civil society organizations, freedom of expression and media, and violations of labor rights, including the inadequacy of labor inspection systems, occupational safety and health, ineffectiveness of labor courts, and denial of workers' rights to strike is being opposed by vested interest groups in the country.
Reeling under spiraling inflation, an energy crisis, and political uncertainty in the first half of financial year 2022-23 which runs July 1-June 30, exports of Pakistan's textile industry dipped by 7 percent year-on-year to $8.8 billion and the manufacturing sector has been operating at less than 50 percent capacity.

As a result of GSP+, more than 76 percent of Pakistan's exports, including textiles and clothing, enter the EU duty and quota free. This represents almost 20 percent of Pakistan's exports globally.

Approximately 80 percent of the textiles and clothing articles from Pakistan are privy to preferential tariff rate, with a fourth of these being bed linens, table linens and bedroom and kitchen linens.

As negotiations continue, and tensions remain high, there is much at stake, and with impending pre-conditions growing more rigorous, analysts are still at odds: will 2023 see the end of GSP+? Or will 2024 bring a new beginning?

Source: sourcingjournal.com– May 22, 2023

HOME

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Why Chinese cotton prices go up again?

Since Apr, ZCE cotton futures market fluctuates upward all the way under the expectations of lower 2023/24 cotton production, harvest-rush of seed cotton in the second half year and the unfavorable weather condition in Xinjiang.

Recently, Xinjiang ushers the second wave of rainfall, which is larger than the first time. Some regions suffer heavy wind and sandstorms, which may affect the sprout of cotton crops. The concerns over the weather condition are bullish for ZCE cotton, pulling up the futures market. ZCE overnight cotton futures continue to rise last Friday, with the major cotton contract, Sep contract, once up to 16,250yuan/mt, reaching a new high within the year.

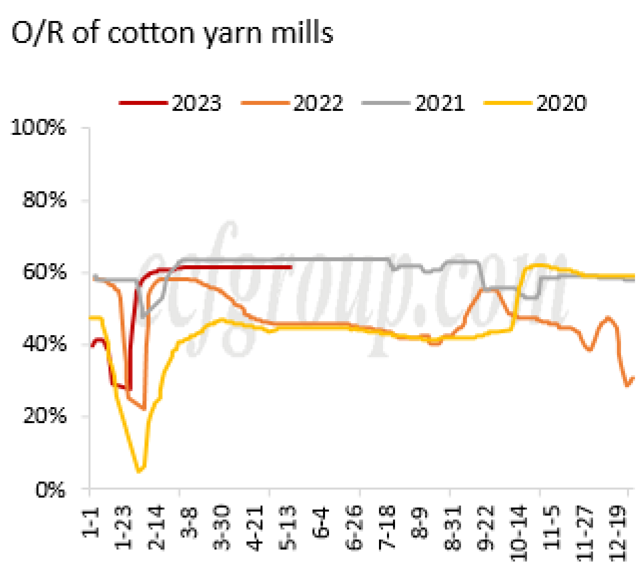
Bleak spot cotton sales

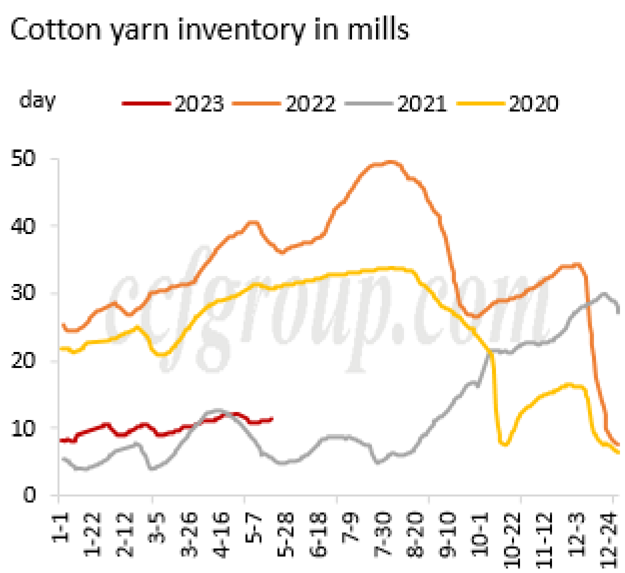
Recently, ZCE cotton futures market remains firm, but sales are bleak. Currently, offers of cotton under fixed level are high. Xinjiang machine-picked grade-3128 cotton prices have been offered at 16,300yuan/mt and above, ex-Xinjiang. For basis trades, market offers are mixed. The mainstream basis of machine-picked grade-3128 cotton is at 300-400yuan/mt on ZCE Sep contract, ex-Xinjiang, but some traders adjust up the basis to 500yuan/mt and above.

During May 9 and May 12, when ZCE cotton futures declined to below 15,700yuan/mt, sales were moderate, while recently, ZCE cotton futures go firmer again, and trading sentiment weakens gradually. The continued high of ZCE cotton futures triggers the worries from traders about the sales. Spot cotton sales also follow up, but downstream spinners are not willing to chase up, and could not accept the high level well, only purchasing for pressing demand.

Spinners see less orders with coming traditional slack season

Cotton yarn market went thinner after Tomb-Sweeping Festival, and was basically into slack season after May Day holiday. Though the market weakened earlier, it was in line with the traditional period. Currently, downstream orders have reduced apparently. New orders were limited and volumes were mainly small.





According to CCFGroup, operating rate of some fabric mills in Guangdong has dropped to 30-40%. Though most players hold bullish anticipation in long run, they hold not positive anticipation in medium to short run, considering that the speculation on weather condition will not continue for long time. If sales keep bleak after the withdrawal of capital, cotton prices are likely to decline, so buyers remain cautious to purchase cotton. Though cotton demand is less compared with previous period, cotton yarn inventory is still at a low level, and operating rate of spinning mills maintains high, supportive to cotton prices.

In general, with no volatility in cotton industrial chain, any changes in supply side can influence cotton prices. In short, whether this wave of influences from weather on cotton futures will sustain is uncertain. Downstream demand is weakening, and cotton yarn and grey fabric prices move lower. The cotton fundamentals are not substantially positive currently. Therefore, in short, cotton prices may fluctuate widely, and in medium to long run, cotton prices still have upward momentum under the expectations of lower production.

Source: ccfgroup.com– May 22, 2023

HOME

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Sustainability and Circularity Top of Mind at Texprocess and Techtextil

Throughout the Georgia World Congress Center in Atlanta, technical textile, non-wovens, machinery, sewn products and equipment companies touted their latest innovations as part of the dual Texprocess Americas and Techtextil North America show. Through new materials, processes or machinery, the push to increase sustainability and circularity in the textile industry could be felt throughout the show.

Two companies touting sustainable solutions were recognized by show runners Messe Frankfurt for their efforts to improve the environment. Henderson Sewing Machine Co. and Twine Solutions earned the show's innovation award in the category of new approaches on sustainability and circular economy for their thread digital dyeing system TS-1800. And Dürkoop Adler GmbH earned the nod for new technology on sustainability and recycling for its M-Type Delta e-con sewing machine.

The TS-1800 operates with a waterless, digital system that allows companies to dye the exact amount of thread or yarn needed. The machine was designed for shorter runs and can dye up to 1,800 meters of polyester thread or yarn per hour.

"We wanted to solve the problem of textile dye—which is very polluting—along with overproduction, water waste and all the bad things that happen with dying," said Yuval Nahum, vice president of sales, Twine. "So the idea was to develop a machine that would be waterless and digital, so you can dye only what you need. You save money because you don't order the minimum order quantity, you don't stock a lot of thread you don't need, and you're able to serve your customers better."

The machine offers dye-to-match capabilities as well as applications for everything from ribbon and tape to circular knitting for socks. But Nahum says the fashion industry has been the biggest user of the machine.

"There are now more than four seasons of the year for fashion, and the trends change so frequently," he said. "The whole process of producing it is labor- and cost-intensive so customers really like this solution to making new yarns and threads easier."

Nahum said the company also has another model on the way that will offer greater output for larger production orders.

Dürkoop Adler's M-Type Delta e-con sewing machine uses a digital platform to reduce the machine's energy consumption by 25 percent.

"We upgraded our existing digital sewing technology with a higher grade of sustainability to get rid of the waste and lower our carbon footprint," said Sebastian Kinnius, head of product management, Dürkoop Adler GmbH.

The digital interface allows the machine to have a short changeover time for new tasks via automatic updates, and it controls drives and lights, shutting them down when not in use for energy savings. Kinnius said that while the M-Type Delta e-con uses less energy, that doesn't mean it lacks in power.

"When you're using this machine, which is still powerful and really productive, you're not only getting money in your pocket, but you're also getting rid of electrical waste," he said.

Other companies at the show focused more on cutting or eliminating harmful chemicals from their products. Covestro—previously known as Bayer Material Science—touted its waterborne bio-based Insqin textile coating made with partly bio-based and partly bio-degradable polyurethane. The coating is designed for use on activewear, athletic shoes and automotive textiles, among other uses.

Robert Saunders, head of textile coatings at Covestro, said the company is moving to improve its sustainability and reduce its carbon footprint.

"We are going completely away from solvents, trying to get them out of everything—it's just being a good citizen of the planet," he said. "Originally our products were all water-based, but now we've graduated to bio-based products and even some that are biodegradable."

Saunders said Covestro's research and development department is focused on further expanding the company's product sustainability, with the goal of being fully circular by 2035.

Milliken also preached the gospel of eliminating harmful chemicals during the show, sharing how it has removed PFAS from all its products. Jeff Strahan, director of research, compliance and sustainability at Milliken explained that removing PFAS from textiles required the company to think differently about how its products perform.

The company has developed a new PFAS-free finish that offers stain and water repellency, but does not have the oil resistance that PFAS provides. "Oil repellency is the holy grail—a lot of smart people have been working on it for decades and haven't found it yet," he said.

Until that solution presents itself, Strahan said the company has focused on cleanability of oil-based stains while also telling the story of its durable water repellant's (DWR) ability to resist many other stains.

"It's not a direct substitute—we're still working on this," he said. "There never was one bucket of PFAS that did everything for everyone, so there's not one bucket of DWR that does everything."

Strahan said that fear of difficulty or reduced performance shouldn't prevent textile makers from removing PFAS from their products, too.

"It's not a quick change, and it's not easy, but it's possible," he said.

Parkdale Advanced Materials has been working to eliminate microfiber pollution with its Ciclo sustainable textile technology. Microfiber textiles are a major contributor to microplastic pollution.

"We love synthetics, but one of the challenges in our industry is microplastic pollution," said Cheryl Smyre, director, advanced materials division, Parkdale. "Thirty-five percent of the microplastics in the environment are actually coming from washing synthetic textiles, so that's a huge problem."

The product—which was produced in collaboration with Silicon Valley startup Intrinsic Textiles Group—helps reduce plastic microfiber pollution by embedding biodegradable spots throughout the matrix of the plastic. These spots act like nutrient sources for microbes that naturally exist in the environment.

Because of that, textiles made with Ciclo-enhanced fibers will biodegrade naturally at rates comparable to natural fibers because microbes are attracted to the fibers and mineralize them.

“So when that fabric containing Ciclo is being washed those those microfibers aren’t contributing to pollution the way traditional microfibers do,” Smyre said.

Solutions such as Ciclo, and many others introduced at Texprocess Americas/Techtextil North America, demonstrated the effort the textile industry is putting into working toward a more sustainable and circular future.

Source: sourcingjournal.com– May 22, 2023

HOME

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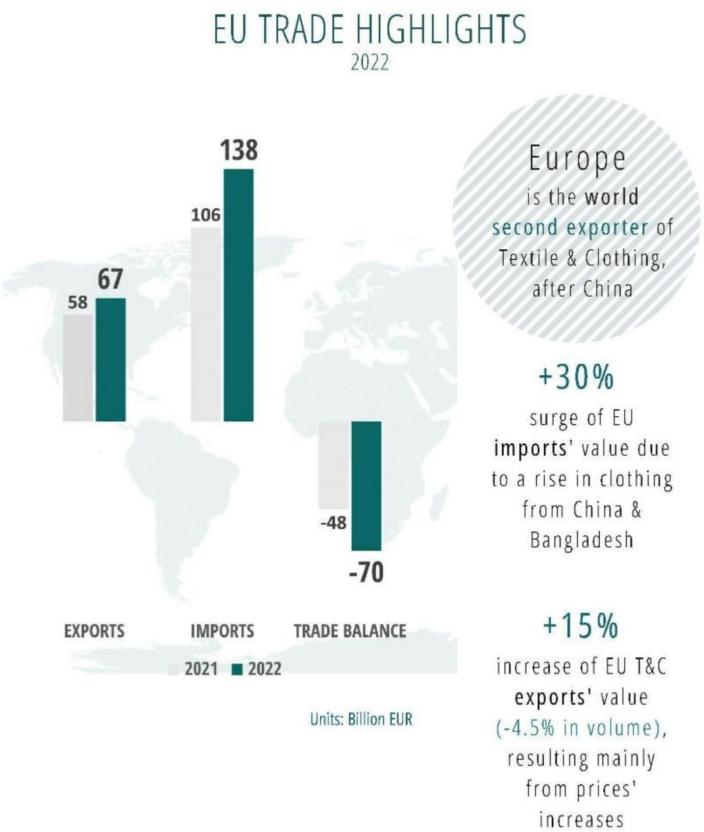
EU's textile and apparel trade deficit grew by 48% in 2022

In 2022, the European Union's textile and apparel trade topped the symbolic €200 billion revenue mark for the first time. The figure was reported by Euratex, the industry's Europe-wide association, which also warned about the acceleration in the related trade deficit's increase.



EU apparel imports in fact increased by 36.6% in fiscal 2022. They came primarily from China and Bangladesh, the EU's largest apparel supplier.

Between them, the two countries contributed to an EU textile and apparel trade deficit amounting to €70 billion in 2022, equivalent to a 48% increase year-on-year. In other words, the opposite of the stated goal of the EU's industrial strategy, which according to Euratex aims at "strategic independence."

The spring report published by Euratex also highlighted the effects inflation is having on the various indicators monitored by the industry.

For example, while exports of European textile products increased by 13% in value, they grew by only 7% in volume. According to Euratex, energy prices and central bank policy reversals are fuelling uncertainty in EU client countries.

"This [context] challenges the [EU] Commission's intention of promoting – and making prevalent – the influx of high-quality and sustainable textile products on the [EU's] single market, regardless of where they have been produced.

With imports now worth €140 billion, it will be a challenge to effectively control quality and compliance for these imports," said Euratex, which also called for more effective policies for improving exports.

"EU companies are world leaders in high-end fashion products and in performance textiles," said Euratex. The association called for future free trade deals with India to set "fair" competitive conditions. In the quarterly report published in early April, Euratex welcomed a turnaround in apparel production in the last quarter, but warned of a declining level of confidence by the industry at large.

Source: fashionnetwork.com– May 22, 2023

HOME

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Asian export slump set to stabilise after Q2 2023

Asia's export decline, which has extended over a year, is projected to reach a turning point after the second quarter (Q2) of 2023. Factors such as China's zero-COVID strategy and property downturn and reduced goods demand in developed markets are believed to have contributed to the slump. However, as these elements fade, a stabilisation in Asia's export growth is anticipated, as per Nomura.

The economists have identified China's import demand as one of the key factors supporting Asian exports' recovery. China's real import demand is expected to recover from a 6.0 per cent contraction in 2022 to an increase of 4.8 per cent in 2024, authors Sonal Varma, chief economist for India and Asia ex-Japan, and Si Ying Toh, macroeconomic research analyst for Asia ex-Japan, wrote in an article titled 'Asia Economic Monthly: Shape of Asian exports recovery: L, U, V or W?' on Nomura's website.

Various scenarios were anticipated for the recovery, with a U-shaped recovery being the most probable at 50 per cent. In this scenario, exports bottom out in Q2, with steady growth in H2. A double dip (W-shape) due to weaker US demand and a sharp recovery (V-shape) led by a faster semiconductor rebound are also considered. An L-shaped recovery is considered the least likely.

The analysis also suggested that, within Asia, the impact across economies will differ depending on sensitivities to demand from the US and Europe. The report concluded that despite expected export recovery post-Q2, domestic demand in Asia is likely to weaken, which could warrant an accommodative monetary policy stance to counter disinflationary factors.

Source: fibre2fashion.com– May 22, 2023

HOME

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Vietnam to work closely with Israel to sign, enforce bilateral FTA

Vietnam recently said it will continue to work closely with Israel to sign and enforce their bilateral free trade agreement (FTA). The former's minister of industry and trade Nguyen Hong Dien met Israeli ambassador to the country Yaron Mayer in Hanoi.

Dien proposed building mechanisms for information sharing between agencies of both sides on policies, technical standards and regulations applied to a number of import and export commodities to facilitate import and export.

He also called for stronger cooperation in high-tech equipment, biotechnology, agricultural product processing, food and other potential fields in which the two countries are strong, a news agency reported.

Vietnam encourages Israeli businesses to invest more in industrial production, biotechnology, information technology, new material technology, consumer goods and food industries, start-ups, vocational training, technology transfer and development of high technology, he said.

Israel is the third largest export market and the fifth largest trading partner of Vietnam in West Asia.

Vietnam's exports to Israel to include garment and textiles.

Source: fibre2fashion.com – May 23, 2023

HOME

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RCEP tariff may boost textile exports from Philippines to China

China will implement the tariff rates it committed to under the Regional Comprehensive Economic Partnership (RCEP) agreement for certain imports from the Philippines on June 2, 2023. This move may increase China's imports of various products from the Philippines, including textile goods. Currently, China dominates as the main trade partner for textile products with the Philippines.

Trade data indicates that China is a net exporter of textile products such as garments, fabrics, yarn, and fibre. In bilateral trade with the Philippines, China exports garments and other textile products in larger quantities and values compared to its imports of these products.

China exported apparel worth $578.881 million to the Philippines during the first quarter of the current year, compared to $625.933 million in the first quarter of the previous year. The trade was noted at $792.634 million in the last quarter of 2022 and peaked at $797.563 million in the second quarter of the same year, remaining relatively stable in the subsequent quarters. However, there has been a significant decline in trade during the first quarter of the current year. The annual shipment was recorded at $2.981 billion in 2022, $2.767 billion in 2021, $2.814 billion in 2020, $3.019 billion in 2019, and $2.728 billion in 2018, according to Fibre2Fashion’s market insight tool TexPro.

China is a major supplier of apparel to the Philippines, although it also imports some apparel from the country. Imports from the Philippines amounted to $75.624 million in 2022, $74.833 million in 2021, $49.301 million in 2020, $63.638 million in 2019, and $65.354 million in 2018. Apparel imports from the Philippines were valued at $13.784 million in the first quarter of 2023, as per TexPro.

Similarly, China exports larger quantities of fabric, yarn, and fibre to the Philippines compared to its imports. However, the preferential duty rates agreed upon in the RCEP may benefit the Philippines by boosting its textile exports to China.

Source: fibre2fashion.com – May 23, 2023

HOME

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19th Istanbul International Yarn Fair to be held from June 1-3

Manufacturers engaged in the yarn industry, the most important raw material in the textile industry, will convene for the 19th time at TUYAP Fair and Exhibition Center for the Istanbul International Yarn Fair from June 1-3. Visitors will find the opportunity to experience the transformation adventure of the recyclable yarns as well as sector innovations in the fair, which was established on an area of 40,000m2 with new additional halls added this year due to intense demand.

The most important yarn fair of Eurasia is prepared to open its gates on June 1, 2023. This year, 15,000 visitors are expected to visit the 19th TÜYAP Istanbul International Yarn Fair where over 500 companies will be participating. The fair will last until June 3 and will be globally attended by visitors coming from European countries, the United Kingdom, the US, Brazil, Algeria, China, Indonesia, Ghana, South Korea, Iran, Israel, Japan, Canada, Qatar, Kuwait, Malaysia, Egypt, Russia, Vietnam etc. The fair will gather the giants of the yarn industry with local manufacturers and play a pivotal role in boosting exports. The fair participants will be able to receive support from both the Turkish ministry of trade and KOSGEB (Small and Medium Enterprises development Organisation).

This year, new halls have been added to the 19th Istanbul International Yarn Fair upon an intensive participation request coming from the companies of the sector. This corresponds to a hundred per cent of expansion in m2 size of the fair which is to be held in 7 halls and over an area of 40,000 m2. The professionals of the sector have shown a close interest in the fair where the online ticket requests have increased by 25 per cent compared to the previous year.

A higher number of visiting demands are coming from the top countries of exportation Türkey's textile and raw material exports have reached 2.7 million tonnes in 2022. The highest volume of textiles and raw materials was directed to the 27 EU countries where Italy ranked the first and Germany the second position. In the same year, the second country group with the highest export in quantity was the African countries. These countries are amongst the first 15 countries that have sent requests to visit this year's Istanbul Yarn Fair, the organiser said in a press release.

Yarns made of synthetic-artificial filament fibres, cotton yarns, yarns made of synthetic- artificial discontinuous fibres, yarns made of wool and thin-thick animal hairs, yarns made of vegetable fibres, silk yarns as well as various yarn types will be showcased at the fair as the most exported yarn types of the yarn industry.

Focusing on circular economy, which is one of the current issues of today, the special exhibition area of recycled yarns will be set up in the fair hall, where the adventure of the yarn from waste to the final product will meet with the visitors. The visitors of the fair will find the opportunity to see in person the stages of how a plastic bottle turns into a pullover.

The exhibition space will serve to showcase the sample products of the participating firms manufacturing recyclable yarn and will provide an appropriate environment for the visitors to see the products in detail at the stands of the participants.

The fair will showcase eco-friendly, high performance, and high-quality products and serve as the most important commercial gathering of the international yarn industry. While the participants of the last year express that their order volume increased by 81 per cent at the fair, 32 per cent of the visitors say they have purchased the products at the fair. The fair hosted 10,282 industry professionals last year, and intensive promotional activities are underway to increase the diversity and number of visitors this year.

Source: fibre2fashion.com – May 22, 2023

HOME

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Vietnam: Listed textiles enterprises face negative prospects this year

Many textile companies are struggling as they have to reduce employees due to shrinking revenues.

The slowdown of global economic growth has affected manufacturing activities across industries, including textiles.

In the first quarter of the year, Vietnamese textile and garment exports decreased nearly 18 per cent on-year to more than US$7 billion, according to General Department of Vietnam Customs statistics.

The April data continued to show not very positive signs, with an export value of $2.5 billion, down nearly 20 per cent over last year.

The industry continues to face challenges shortly due to a sharp decrease in purchasing power from major markets such as the US and European Union (EU), the recent textile industry report of KIS Vietnam Securities showed.

Many businesses have not had orders for the rest of the second quarter.

Inventories at major foreign retailers, like Nike and Adidas, have increased since the second half of 2022, while weaker consumption results in reduced orders. Both the problems are unlikely to be solved just in the second quarter.

The securities firm also said that the reopening of China is another obstacle for garment companies as they have to compete with the country's garment exporters.

However, this is a good sign for yarn companies with a large export market share in China. Besides, according to the Vietnam Cotton and Spinning Association (VCOSA), the price of imported cotton is forecasted to decrease, which will help improve the gross profit margin of yarn companies in the second quarter.

Amid the difficulties, most textile and garment enterprises have cautiously planned for 2023 with negative growth rates.

In particular, Vietnam National Textile and Garment Group (Vinatex) said that the textile and garment industry would face many challenges from the Russia-Ukraine conflict, persistent inflation, and falling global demand. Therefore, the enterprise plans to reduce its profit before tax in 2023 by half over last year to only VNĐ610 billion ($26 million).

In the first quarter, the company posted declines in both consolidated net revenue and profit after tax, down 16.2 per cent and 255.3 per cent on-year, respectively.

Even more cautiously, the General Meeting of Shareholders of Bình Thạnh Import - Export Production & Trade JSC (Gilimex) approved the 2023 business results, with targeted revenue down more than half to VNĐ1.5 trillion and profit after tax set to fall by 71 per cent year-on-year to nearly VNĐ104 billion.

Gilimex also reported poor performance in the first quarter, with the consolidated revenue down from VNĐ1.4 trillion in 2022 to nearly VNĐ156 billion. And profit after tax suffered a loss of VNĐ39 billion while in the same period last year, it gained VNĐ107 billion.

On the other hand, Sông Hồng Garment JSC also plans double-digit negative growth. The company's Annual General Meeting of Shareholders has agreed that the profit before tax in 2023 will reduce by 20 per cent to VNĐ350 billion.

The company said that the global apparel supply chain is moving adversely with weaker demand, so the plan is somewhat modest.

It also reported negative results in the first quarter.

Similarly, Phong Phú Corporation set an optimistic plan with the target of profit after tax reduced by 17 per cent over the same period to VNĐ397 billion.

Thành Công Textile and Garment Investment Trading Joint Stock Company also set a target of negative growth in 2023 after experiencing outstanding achievements last year with record revenue and profit.

Textile orders are lower, making the situation difficult for businesses. Amid the tough period, many enterprises have to reduce jobs, up to thousands, to cut costs.

For example, Garmex Saigon announced a drastically cut in employees. In the first quarter of 2023 alone, the number of employees plummeted by 1,797.

In addition, Gilimex and Century Yarn also slightly cut 70 and 11 employees, respectively, in the first quarter of 2023.

As well as listed companies, another well-known enterprise specialising in manufacturing and exporting sports shoes, Pouyuen Vietnam, a subsidiary of Taiwan's Pou Chen Group (China), has continuously cut jobs.

Source: vietnamnews.vn – May 23, 2023

HOME

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Bangladesh: Textile mill owners for sourcing cotton yarn from local spinning mills

Textile mill owners have urged export-oriented readymade garments businesses to source a certain amount of their total cotton yarn demand from local spinning mills under back-to-back letters of credit to rid the spinning mill owners of liquidity crisis caused by yarn stockpiles.

The Bangladesh Textile Mills Association said that the coordinated approach will be a win-win situation for both textile and RMG sectors of the country amid the rising dollar crisis.

The BTMA president Mohammad Ali Khokon issued a letter to the Bangladesh Garment Manufacturers and Exporters Association and the Bangladesh Knitwear Manufacturers and Exporters Association on May 16 regarding the issue.

We are capable of meeting about 75 per cent of the cotton yarn's demand for the local RMG industry at international price rate and it will be beneficial for local textile and RMG sectors to overcome the ongoing crisis, said Khokon.

He said, 'A huge amount of export quality carded and combed yarns remain unsold in the local mills which creates a liquidity crisis.'

The fall of export demand of the RMG products, including availing imported yarns on local market abusing the bonded facility, crisis of opening LCs on cotton import and delay in receiving export development fund have overall impact on the growth of the local textile and RMG sectors, he said.

We ensured a smooth supply of yarns to the RMG industry during several crisis periods previously for ensuring the growth of the RMG sector, he said.

In 2021-22, when the price of yarns increased on the global market, we ensured a smooth supply of cotton yarns through a pro-forma invoice contract, he added.

On April 3, the BTMA requested the Bangladesh Bank to impose a temporary restriction on import of cotton yarns for the readymade garment industry as the country's spinning mills had stockpiles of the item.

There are 510 spinning mills in the country with 3,600 million kilograms of cotton yarn production capacity and they can meet 70 per cent of demand for the items by the export-oriented garment industry, according to BTMA.

If apparels were produced with local yarns, the value addition would be 55-60 per cent while it would be 30 per cent when produced with imported yarns, BTMA said.

Source: newagebd.net – May 21, 2023

HOME

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Pakistan: Textile exports drop to $13.7bn

In a significant economic setback, Pakistan's textile and clothing industry experienced a substantial decline of 14.22 per cent year-on-year to $13.7 billion during the first 10 months of the current fiscal year.

This downturn can primarily be attributed to a notable reduction in production, which was largely driven by the surging cost of production, data released by the Pakistan Bureau of Statistics (PBS) showed on Monday.

The export figures for April paint a bleak picture, as they witnessed a sharp and alarming decline of 29.11pc, plunging from $1.73bn in the corresponding month of the previous year to a mere $1.23bn.

This significant drop raises concerns about the current state of the country's export sector and its potential repercussions on the overall economy.

The government is facing an uphill battle in meeting its export target, which could further exacerbate the strain on the country's depleting foreign exchange reserves. The textile and clothing sector, a key contributor to exports, is grappling with a multitude of challenges.

These include soaring energy costs, delayed refunds, scarcity of raw materials, and a global decline in demand, despite the significant depreciation of the local currency. The combination of these factors is impeding the growth of exports and posing a serious threat to the country's economic stability.

The textile export sector experienced a troubling trend of negative growth right from the beginning of the current fiscal year, except for a slight increase in August 2022 due to a backlog from the previous month.

This contraction in exports raises serious concerns as it poses challenges in maintaining a balanced external account for the country. The worrisome state of affairs in the textile industry could potentially have far-reaching implications for the overall economic stability of the nation.

The PBS data showed the exports of readymade garments recorded 9.63pc negative growth in value in 10MFY23 but grew by 50.82pc in quantity, while knitwear dipped 11.99pc in value but grew 7.49pc in quantity, bedwear posted a negative growth of 17.51pc in value and 22.75pc in quantity. However, towel exports slightly decreased by 11.10pc in value and 13.84pc in quantity, whereas those of cotton cloth dipped by 16pc in value and 25.86pc in quantity.

Among primary commodities, cotton yarn exports declined by 36.71pc, while yarn other than cotton by 32.79pc. The export of made-up articles — excluding towels — dipped by 17.57pc, and tents, canvas and tarpaulin went up by 28.09pc in 10MFY23 from a year ago.

The import of textile machinery declined by 55.32pc in 10MFY23 — a sign that expansion or modernisation projects were not a priority.

Source: dawn.com– May 23, 2023

HOME

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NATIONAL NEWS

ONDC is an engine of growth that has the potential to redefine the industry completely: Shri Goyal

Union Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Shri Piyush Goyal said that Open Network for Digital Commerce (ONDC) was created to democratise the existing ecommerce ecosystem of the country during his virtual address at the “ONDC Elevate” program in Bengaluru.

Shri Goyal chaired the program and said that ONDC is an engine of growth that has the potential to redefine the industry completely.

The Minister said that a significant number of sellers on the network is itself a testimony to ONDC's impact as digital commerce is being re-imagined. Shri Goyal engaged with all Network Participants during the Open House, noting their feedback and guiding them to redouble their efforts to democratize digital commerce in India.

The Minister also noted in response to queries from participants that, “any marketplace joining ONDC should come with serious commitment, and not for namesake”. He also pointed out that when a platform comes on ONDC, it should be in the spirit of give and take, and not just simply taking benefit from the network without contributing back to its progress.

“ONDC Elevate” commemorated ONDC's one-year completion, fostering a collaborative environment by bringing together participants and ecosystem players of the network. It provided a platform for open discussions on accomplishments to date and facilitated brainstorming sessions to shape the future trajectory of ONDC.

The members of the ONDC Advisory Council – Dilip Asbe, CEO, NPCI, Adil Zainulbhai, Chairman, Capacity Building Commission and Jaxay Shah, Chairman, QCI also attended the event. This interactive session gave participants the opportunity to share their suggestions, and to benefit from the guidance of the Hon’ble Minister and the advisory council members.

Shri T. Koshy, MD & CEO, ONDC said that as ONDC completes a year of its operations, it's an ideal time to take a look back on what has been achieved so far while preparing for the future. He said that from 5 cities to 236 cities, the network has continuously evolved with diverse participation of merchants.

The group also discussed the various milestones ONDC has completed in the past year. From the launch of beta testing on September 29, 2022, ONDC has scaled to 36,000 sellers, 45+ Network participants and 8+ categories, with a weekly average of 13,000+ retail orders and 36,000+ mobility rides per day with peak transactions reaching 25,000 retail orders on a day. The workshop also focused on the impact ONDC is generating, especially for SHGs and non-digitized sellers.

Source: pib.gov.in- May 22, 2023

HOME

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India's commerce secretary outlines ambitious investment & PLI plans

India's commerce and industry ministry secretary, Rajesh Kumar Singh, revealed significant investment plans and an extension of the Production Linked Incentive (PLI) scheme during an interactive session organised by the PHD Chambers of Commerce and Industry (PHDCCI).

The discussion titled 'Unleashing Innovation: Powering Progress Through Startups and Traditional Businesses' underscored India's bright economic outlook.

Singh praised India's stability, leadership, and resilience against global disruptions. He highlighted the country's robust macroeconomic indicators and projected a promising future, propelled by India's rising working-age population, the PHDCCI said in a press release.

Singh announced plans to invest nearly $1 trillion over the next five years in infrastructure projects, such as road construction and airport expansion. The secretary described India as a 'bright spot' in the global economic landscape, echoing a recent statement from the president of the World Bank.

The government envisions India as a developed country within the next 25 years, targeting an annual real growth rate of 8-9 per cent. Various initiatives, including the implementation of the Goods and Services Tax (GST), corporate tax reduction, and consolidation of public sector banks, are aimed at reducing industry compliance burdens.

The PLI scheme, impacting 14 economic sectors with an initial investment of 1.97 lakh crore, has achieved significant results, generating sales exceeding government incentives. Singh reiterated the alignment of this growth-oriented approach with Prime Minister Narendra Modi's vision of a developed society.

India's improvement in ease of doing business rankings and a high global position in startup ecosystems were acknowledged. Singh urged industry associations to provide feedback for effective local and state-level implementation.

Singh pointed to India's attractiveness for foreign direct investment (FDI), as evidenced by the nearly $84 billion in FDI attracted last year. He also introduced the Prime Minister Ghati Shakti, a logistics planning platform set to revolutionise planning by integrating infrastructure, road, pipeline networks, and industrial and warehousing units.

The secretary shared plans for ambitious infrastructure development, including construction of 30 km of roads per day and 72 new airports by 2025. Saket Dalmia, president of the PHDCCI, commended the chamber's track record, highlighting its recent inclusion of the Startup Committee and the new H-Tech-driven Businesses Committee.

Source: fibre2fashion.com- May 23, 2023

HOME

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Shipping Ministry to provide 30% financial support for promotion of green shipping

The Union Minister of Ports, Shipping and Waterways Sarbananda Sonowal announced a 30 per cent financial support for the promotion of green shipping.

Speaking at a chintan shivir organised by the ministry, Sonowal said that under the Green Tug Transition programme, the Jawaharlal Nehru Port, VO Chidambaranar Port, Paradip Port and Deendayal Port will procure two tugs each.

As part of green port initiatives, green hydrogen hubs will be set up at Deendayal Port and VO Chidambaranar Port, while a single-window portal to facilitate and monitor river and sea cruises is in the works too. The Jawaharlal Nehru Port and VO Chidambaranar Port will become smart ports by next year.

Promote green shipping

According to Sonowal, there is a clear focus to promote green shipping and bring in energy efficiency via digitisation of port operations.

"By bringing in the sustainable element in a robust manner, we are aiming at achieving a transformational transportation which is effective, efficient and energetic," he said. A review of the progress would happen mid-year and Sonowal warned of "strict action in case of any delay in completion of the project".

In the last eight years under the Sagarmala programme, 90 port modernisation projects have been completed. The chintan shivir also discussed about improvement of port administration, standardisation and share of cargo handling in major ports, and enhancement of cargo, VGF, PPP in inland waterways and coastal shipping.

Increase in cargo handling

According to a statement from the ministry, the implementation of various initiatives to promote coastal shipping in conjunction with development of coastal berths infrastructure under the Sagarmala programme has led to a significant rise in cargo movement.

The cargo handled by coastal shipping has grown to 151 million tonnes per annum in FY23 as against 74 million tonnes per annum in FY15.

A consistent growth has been seen in cargo handling via inland waterways too — from 30 metric tonnes per annum in FY15 to 126 metric tonnes per annum in FY23 .

Source: thehindubusinessline.com- May 22, 2023

HOME

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Indian forex reserves up $3.553 bn to $599.529 bn

India's forex kitty rose by $3.553 billion to $599.529 billion for the week ended May 12, the Reserve Bank of India (RBI) said. The rise is for a second consecutive week. The overall reserves had jumped by $7.196 billion to $595.976 billion for the previous reporting week.

The foreign currency assets, a major component of the reserves, increased by nearly $3.577 billion to $529.598 billion, according to the Weekly Statistical Supplement released by RBI last week.

Gold reserves rose by $38 million to $46.353 billion and the special drawing rights (SDRs) were down by $35 million to $18.413 billion, the central bank was quoted as saying by Indian media reports.

In dollar terms, the foreign currency assets include the effect of appreciation or depreciation of non-US units like the euro, pound and yen held in the foreign exchange reserves.

The country's forex kitty had reached an all-time high of $645 billion in October 2021. The reserves have been declining since then.

The country's reserve position with the International Monetary Fund was down by $28 million to $5.164 billion in the reporting week.

Source: fibre2fashion.com - May 20, 2023

HOME

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Cotton prices take a knock as farmers offload stocks

Prices of cotton in the futures trade and at the farm gate have declined 8% and 12%, respectively, in the last fortnight, as farmers, who were holding the crop expecting prices to return to last year's record-high levels, have started selling their produce.

The daily arrival of cotton in the markets has increased fivefold to 100,000 bales (each weighing 170 kg) from the historical average of 20,000 bales a day in May. "I have not seen such unusually high arrivals in May. Arrival of 100,000 bales a day is something that used to get over by January/February," said Ravi Sam, chairman of Southern India Mills Association (SIMA).

The June cotton contract on the MCX was down 3.05% on Monday. In spot trade, cotton prices dipped from ₹62,000/candy (each candy is 356 kg) to ₹57,000 in Maharashtra, while the price of raw cotton with seeds sold by farmers to ginners has fallen from ₹8,000/quintal a fortnight ago to ₹7,000-7,200 on Monday.

Source: economictimes.com - May 23, 2023

HOME

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Small-scale textile mills in Tamil Nadu reduce production

Over 1,500 small or medium-scale textile and open-end spinning mills in Tamil Nadu have decided to reduce production to 50 % of the capacity from Monday, said S. Jagadesh Chandran, secretary of the South India Spinners Association.

Mr. Chandran, along with president of Indian Spinning Mill Owners' Association G. Subramaniam, president of Recycle Textile Federation Jayabal, and president of Open-End Spinning Mills Association G. Arulmozhi, told presspersons here that due to high bank interest costs and electricity charges, price of yarn produced in Tamil Nadu had increased by nearly ₹20 a kg in the last six months.

"There is a lot of yarn and fabric that are imported from Bangladesh and this includes yarn produced in China," claimed Mr. Subramaniam.

"We have tried our best to reduce production costs. But, a mill with 10,000 spindles incurs ₹10 lakh loss a month," said Mr. Chandran. The situation has turned worse in the last six months. The imported yarn is cheaper than that produced in Tamil Nadu by ₹5 - ₹10 a kg, he added.

There are containers with imported yarn and fabric in Tiruppur and Somanur. The mills do not have much yarn stock because they are selling at a loss to meet the fixed costs, the mill owners said.

Hence, the mills decided to scale down production to 50 % capacity and if the situation does not improve, there will be no option but to shut down production completely, they said.

"It is said that 10 containers of yarn are coming to Tamil Nadu every day from Punjab. We are not competitive in the domestic and export markets," added Mr. Arulmozhi.

These MSME mills in Tamil Nadu, accounting fo 1.6 crore spindles and 10 lakh rotors, produce yarn worth ₹145 crore a day and give direct employment to almost five lakh workers.

The Central government should take measures to reduce interest rates to the previous level of 7.75 %, give one year moratorium for those who had benefitted from the Emergency Credit Line Guarantee Scheme, check import of yarn and fabrics, and support exports. The State government should collect maximum demand charges only for the electricity consumed, should not increase the tariff again this year, and give 15 % capital subsidy for MSME mill that want to invest in renewable energy, they demanded.

Source: thehindu.com - May 22, 2023

HOME

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Spinning mills suffering loss of Rs 20-25 per kg of yarn: Industry body

Lower demand due to the global financial crisis, rise in interest rates, revised power tariff, repayment of the Emergency Credit Line Guarantee Scheme (ECLGS) loans and unrestricted imports of yarn and fabrics from China, Bangladesh and Vietnam are leading to huge cash losses of Rs 20-25 per kilo gram of yarn, say spinning industry players.

According to Tamilnadu Spinning Mills Association (TASMA), over the past several months, bank interest rates have gradually risen from 7.75 per cent to 10.75 per cent, increasing the cost of yarn production by Rs 5 to Rs 6 per kg. The recent hike in Tamil Nadu electricity tariffs, current consumption charges, maximum demand charges, peak-hour charges and other indirect charges have added to the woes of the units, which are now seeking relief from the Central Government.

The industry body said that due to the sustained demand recession during the past three years, first due to the Covid pandemic and now due to the ongoing Russia-Ukraine war, though Indian units have all the capability to run their plants uninterrupted, they are unable to achieve full efficiency. Most units are working only at 25-30 per cent capacity levels. Due to this, companies are unable to repay their term loans in time and their working capital has also eroded.

“Hence, a general restructuring scheme may be announced with policy approval by the Reserve Bank of India, so that all banks take up restructuring of the accounts of the units immediately to prevent them from becoming NPAs. This is the need of the hour and must be taken up urgently,” said K Venkatachalam, chief advisor, TASMA.

During Covid, the Government of India provided short-term loans under the Emergency Credit Line Guarantee Scheme (ECLGS) to revive the industry. Entrepreneurs who availed these loans have used them to tide over the crisis and to repay bank dues, electricity charges, labour wages, etc. Repayment of the ECLGS loans, which has started, has become an additional burden for spinning mills. This also raised the cost of production by Rs 5 per kg, TASMA said. The industry body wants a six-month holiday and a seven-year repayment period at a lower rate of interest.

The cost of production has increased due to a spike in the cost of machinery, spares and electrical items, migration of labour and other indirect costs. Other than ECLGS restructuring, other appeals to the government by the industry include immediate reduction in the interest rates charged by banks to the previous level of 7.75 per cent.

“Considering the slowdown in the spinning industry, we request the government to extend the term loan with a two-year moratorium and restructure the existing term loan as given in the past. The Centre can take appropriate measures to promote the export of yarn and fabrics and take steps to monitor and prevent their import,” it added.

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

HOME

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India size for apparel, shoes close to rollout

The Union textiles ministry is finalizing the measurements and standards for clothes and shoes that would fit Indians better, three government officials aware of the development said.

Currently, international and homegrown brands available in India use measurements from the US or the UK for garments, such as ‘Small’, ‘Medium’ and ‘Large’. However, Indians’ body types differ from the western ones in terms of height, weight or specific measurements of body parts such as the shoulders and bust, throwing up problems in fitting. Size charts for Indians are expected to arrive with the help of 3D scanners that would take computerized body measurements of 25,000 men and women, aged 15 to 65, in six cities—New Delhi, Kolkata, Mumbai, Bengaluru, Shillong, and Hyderabad, the person cited earlier said.

“India size has been a demand from the industry for quite some time as the Indian body type is notably different from the prevailing size in the UK or the US. The basic difference would be in the waist-legs ratio and an India size that is customized to our body type will fit much better. The India size would more likely be closer to the UK size than the US," Randeep Singh Arora, head of new business initiatives at Gokaldas Exports said.

In 2018, the textiles ministry said the National Institute of Fashion Technology (NIFT) would conduct a study to come up with a size chart for Indians and complete the project in 2-3 years. The National Sizing Survey of India project was expected to cost ₹31 crore, with the textiles ministry contributing ₹21 crore and NIFT the rest.

“Size India will surely give impetus to the growing domestic market for fashion goods. With greater focus on e-commerce and flexible lot sizes, size India will offer the much needed size fit to the domestic consumers. The growing domestic manufacturers, retailers and consumers give the required ecosystem to roll out size zero. The country with the largest population deserves its own size chart," Chandrima Chatterjee, secretary general of the Confederation of Indian Textile Industry (CITI).

Source: livemint.com - May 22, 2023

HOME

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Industrialist and philanthropist Karumuttu T Kannan passes away at 70

A leading industrialist and philanthropist Karumuttu T Kannan (70), Chairman & Managing Director of Madurai-based Thiagarajar Mills Ltd, passed away on Tuesday morning in Madurai following a brief illness

He is survived by his wife Uma Kannan, daughters Visalakshi and Radha, and son Hari Thiagarajan, who is the executive director of Thiagarajar Mills.

Kannan is the son of the late industrialist and philanthropist Karumuttu Thiagarajan Chettiar, who founded the Thiagarajar Mills in 1936.

Born on May 9, 1953, Kannan was a graduate of business administration from Madurai University. He was connected with several organisations related to industry, education, and charity.

He had a wide range of experience in the textile industry. He held the positions as Chairman of CII, Southern Region, Textiles Committee, Mumbai, The Cotton Textile Export Promotion Council, Mumbai, and The South India Mills' Association.

He was also a leading Educationalist, presently serving as the President of Thiagarajar College, Madurai, and Chairman & Correspondent of Thiagarajar College of Engineering, Madurai

He was a member of Syndicate Anna University, Chennai, the Board of Governors of IIM, Indore, and the Board of Governors of the National Institute of Technology, Trichy. He is also the Thakkar of Arulmigu Meenakshi Sundareswarar Thirukoil, Madurai

He had vast experience in financial management, Corporate Finance, business administration, regulatory and governance matters.

Source: thehindubusinessline.com - May 23, 2023

HOME

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Polyester price drop fuels north India's cotton yarn price decline

Cotton yarn prices in north India continue to fall due to dwindling demand. Cheaper polyester fibre and its raw materials have also pushed cotton's value chain down. In Ludhiana's market, cotton yarn prices decreased by ₹5 per kg, reflecting a sluggish demand also seen in the Delhi market. However, cotton yarn prices remained steady overall. The recycled yarn market in Panipat held steady as well, amid a slow demand due to weak home furnishing product exports.

The Ludhiana market registered a decrease of ₹5 per kg in cotton yarn prices, indicating a bearish trend. Market conditions have been dampened by a softening in cotton prices. A trader from the Ludhiana market told Fibre2Fashion, “The demand from the weaving industry and exporters has yet to improve. Mills, struggling with a liquidity crunch, are offering lower discounts. Stockists and traders are also selling cotton yarn at lower prices.”

In Ludhiana, 30 count cotton combed yarn was sold at ₹265-275 per kg (GST inclusive), and the 20 and 25 count combed yarn traded at ₹255-260 per kg and ₹260-265 per kg respectively. Carded yarn of 30 count was recorded at ₹245-255 per kg. Last week, cotton yarn prices experienced a decline in the market, according to Fibre2Fashion's market insight tool TexPro.

The Delhi market exhibited stability in cotton yarn prices, even though demand from the weaving industry hasn't improved. A trader from the Delhi market told F2F, “Slower exports were the main concern for the market. The recent fall in polyester prices also resulted in decreased demand for cotton. Manufacturing units in the textile value chain haven't found cotton viable, making it less attractive.”

As per TexPro, 30 count combed yarn traded at ₹260-273 per kg (GST extra), 40 count combed yarn at ₹290-300 per kg, 30 count carded yarn at ₹238-245 per kg, and 40 count carded yarn at ₹268-275 per kg in Delhi.

Panipat's recycled yarn market has also witnessed a slowdown in demand from home furnishing product manufacturers. Trade sources indicate that the demand for these products significantly declined post-COVID-19, with no immediate signs of improvement. 10s recycled PC yarn (grey) traded at

₹80-85 per kg (GST extra), while 10s recycled PC yarn (black) traded at ₹50-55 per kg. 20s recycled PC yarn (grey) was priced at ₹95-100 per kg, and 30s recycled PC yarn (grey) at ₹140-150 per kg. Comber prices were registered at ₹130-132 per kg. Recycled polyester fibre, derived from PET bottles, was noted at ₹69-70 per kg.

North Indian cotton prices have been hit by weak demand from spinners. Traders said that despite lower arrivals, the demand for cotton from spinners and exporters remains unimproved. The recent decline in polyester fibre and its raw materials has further diminished cotton's appeal. As the price gap between natural and man-made fibre widens, polyester becomes more viable. Cotton arrival was noted at 5,000 bales of 170 kg each. Cotton was traded at ₹5,875-5,975 per maund in Punjab, ₹5,850-5,950 per maund in Haryana, and ₹6,150-6,250 per maund in upper Rajasthan and ₹56,000-58,000 per candy of 356 kg in lower Rajasthan.

Source: fibre2fashion.com - May 22, 2023

HOME

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Telangana govt to set up textile clusters in Dubbaka

Siddipet: With an aim to provide a glimpse to weavers in Dubbaka of what Sircilla weavers had achieved during the last few years, Medak MP Kotha Prabhakar Reddy took weavers from Dubbaka to Saramally Textile Park in Rajanna Sircilla district following instructions from IT Minister KT Rama Rao.

The weavers went through the textile park to understand how their Sircilla counterparts adopted new technologies to produce better designs and market them.

The MP said Dubbaka weavers would be imparted training to understand modern technologies which were being used in Sircilla, Pochampally and Warangal.

The State government would set up textile clusters in Dubbaka on the lines of Sircilla to provide a livelihood to weavers of Dubbaka.

He said Minister Rama Rao had assured him all support to replicate the work of Sircilla in Dubbaka shortly.

Source: telanganatoday.com - May 23, 2023

HOME

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