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INTERNATIONAL NEWS

China's industrial profits decline in Jan-April 2023 amid weak demand

The profits of China's leading industrial companies dropped by 20.6 per cent in the first four months of the year compared to the same period last year, the National Bureau of Statistics (NBS) revealed on Saturday. During this time, industrial enterprises generating a minimum annual primary business revenue of 20 million yuan (approximately \$2.83 million) collectively earned around 2.03 trillion yuan.

In April, the profits of Chinese industrial firms experienced an 18.2 per cent year-on-year drop, a decrease that is 1 percentage point smaller than what was recorded in March. The firms saw their combined revenues increase by 3.7 per cent, an acceleration of 3.1 percentage points compared to the previous month, according to NBS.

Out of the 41 industrial sectors, 23 showed improved profits in April compared to March. The equipment manufacturing industry registered a 29.8 per cent profit increase on a year-on-year basis in April, thereby reversing a decline that was recorded in March.

Industrial profits continued to recover even as industrial companies face challenges like complex global environment that restrains demand, Chinese media reports said quoting NBS statistician Sun Xiao.

Source: fibre2fashion.com– May 29, 2023

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US trade deficit at \$96.8 bn in April 2023; exports fall to \$163.3 bn

The US recorded a higher trade deficit in April 2023, according to advance estimates released by the US Census Bureau. The deficit stood at \$96.8 billion, up \$14.1 billion from March's figure of \$82.7 billion. Exports fell by \$9.5 billion, bringing the total to \$163.3 billion. At the same time, imports rose by \$4.5 billion to a total of \$260 billion.

In terms of inventory statistics, the Census Bureau reported mixed results for April. Wholesale inventories, adjusted for seasonal fluctuations and trading day differences but not price changes, decreased slightly by 0.2 per cent to \$914.9 billion from the previous month. However, when compared to the same month last year, wholesale inventories saw a rise of 6.2 per cent, the US Census Bureau said in a press release.

The Bureau also reported a slight increase in retail inventories for April. Adjusted for seasonal variations and trading day differences, but not price changes, retail inventories were estimated at \$772.3 billion, marking a 0.2 per cent increase from March. Compared to April 2022, retail inventories saw a healthy growth of 7.7 per cent.

Source: fibre2fashion.com– May 30, 2023

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Brazil cotton exports to Bangladesh up in value, down in volume in '22

Brazilian cotton exports to Bangladesh rose in value but dropped in volume during 2022. Brazil shipped 240.572 million kg of cotton (HS Code 5201) over the past year.

The natural fibre was valued at \$489.971 million during the same period. The export for the first quarter of this year was worth \$143.962 million, accounting for 75.984 million kg of cotton.

Brazil exported 240.347 million kg of cotton in 2022, valued at \$489.971 million. In contrast, the shipment was larger in 2021, amounting to 261.721 million kg and was priced at \$430.347 million, according to Fibre2Fashion's market insight tool TexPro.

Cotton prices reached a record level last year, boosting the value of the natural fibre, despite a decrease in the total quantity of cotton exported to Bangladesh.

In 2020, Brazil's cotton exports amounted to \$314.005 million (211.738 million kg), and in 2019, they were valued at \$308.884 million (189.895 million kg). Back in 2018, the export value was \$163.013 million for 93.210 million kg of cotton.

In 2022, Bangladesh was the third-largest market for Brazilian cotton, accounting for 13.33 per cent of its total exports valued at \$3.676 billion. China and Vietnam were the first and second largest markets, respectively, with China holding a 29.45 per cent share and Vietnam a 14.87 per cent share. Pakistan and Turkiye were also among the top five markets for Brazilian cotton exports, according to TexPro.

Source: fibre2fashion.com – May 30, 2023

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Brands recognize the growing influence of social platforms to boost online sales

Social media when used wisely can give a casual and conversational extension to a retail company's selling promotional campaigns and result in sales. Apparel companies are now using various kinds of social media to create a compelling customer journey according to age group and socioeconomic levels to better form the tactics and strategies that are needed to sell their products. Apparel retailers cannot just afford to stick to a single social platform as putting all their eggs in one basket might not work and as they need to know what sells best where, where, and how. Facebook, Instagram, Tik Tok lead the bandwagon

Analysts feel orders placed through social media in the US will probably reach \$130 billion by 2026 and in Asian countries, it will be even higher. It started with Mark Zuckerberg, CEO of Meta – earlier known as only Facebook—when he announced major inroads into e-commerce in March 2019, with the launch of Checkout, a feature that would allow consumers to buy products directly on its apps. Retail companies on social media quickly realized they can engage directly with people at just about any point of the customer lifecycle to sell any suitable apparel and accessory product to anyone in the world.

As Meta pushed further into e-commerce with an added new Shops feature, which allows businesses to list products directly on platforms like Facebook and Instagram. This became a substantial money-making opportunity and a win-win situation for both small and large brands, when the pandemic struck and shopping became mainly online.

However, in post-pandemic times too, although retail sales online through social media have reduced, apparel brands are quickly learning the ropes of including social commerce intelligently without diverting sales from their own sites.

Brands across the world have understood the power and reach of influencer marketing and analysts feel Indian retail Rs 900 crore market would grow 25 percent annually to become a Rs 2,000 crore industry by 2025. Globally retailers are reaching out to both macro and micro-influencers to create a buzz around products and eventually drive sales by creating customized promo codes and discounts.

Social influencers and selling platforms do well in Asia

Platforms like TikTok, Pinterest, and Poshmark are doing extremely well with the younger generations and are sprucing up their commercial features this year. Instagram in particular is a boon for apparel retailers today in terms of social selling through impulse buying and peer pressure. Asian markets with a large population of aspirational young people have seen great success in fusing social media and e-commerce although in the West, sales are slower these days. Women's health brand Perelel, ladies' handbag seller Modern Picnic and men's apparel brand Rhone have all debuted on Instagram and other live-selling platforms to run ads featuring products available in the shop or to unveil new collections of apparel and accessories.

Asian markets have seen success in fusing social media and e-commerce. US-based data analytics firm Coresight Research highlights sales through social platforms surpassed \$400 billion in China but reached just \$53 billion in the US in 2022. Live shopping, where brands sell goods through live streams, accounted for \$190 billion in online sales in China last year whereas it was only \$20 billion in the US. Analysts say if brands in the US could use live shopping, which is all about brand representatives explaining products and answering audience questions, it will increase popularity and create a brand connection with returning and new consumers.

The modern social media user is a millennial one, comfortable with the way online shopping works. Brands need to understand they are already functioning in a space where the consumer is spending time and it's just about how to intelligently convert that into a few taps that will convert into sales and keep their cash registers ringing.

Source: fashionatingworld.com – May 23, 2023

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G20 merchandise exports revive in Q1 2023

G20 merchandise exports recorded an impressive bounce-back in the first quarter (Q1) of 2023, following two successive quarters of decline. Compared to Q4 2022, exports have seen a 2.2 per cent increase, primarily propelled by the resurgent economic activities in China and the European Union (EU), according to the Organisation for Economic Co-operation and Development (OECD).

China's merchandise exports witnessed a robust 8.6 per cent increase, marking a recovery from a 7.1 per cent drop in Q4 2022. However, China's imports continued their downward trend, with a 0.7 per cent decrease, due to declining energy prices among other things.

Exports increased by 1.0 per cent in the United States, 1.2 per cent in Canada, and 1.2 per cent in Mexico. Europe too, saw an encouraging 3.0 per cent uptick in exports, driven by surges in machinery shipments from economic powerhouses France, Germany, and Italy. However, EU imports dipped by 1.1 per cent, largely attributed to falling energy prices, the OECD said in a press release.

In contrast, the United Kingdom's export scenario remained stable, with increased machinery and transport equipment sales being balanced out by reduced shipments of chemicals and fuels. The UK import sector, however, experienced a steep plunge.

The Japanese and Korean markets showed subdued export growth after several weak quarters, while lower sales of primary commodities affected exports from Argentina, Indonesia, and Australia.

Source: fibre2fashion.com – May 29, 2023

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Turkiye's economic confidence index rises 1.4% in May

Turkiye's economic confidence index which was 102.2 in April increased by 1.4 per cent in May to 103.7, according to data released by the Turkish Statistical Institute (TUIK). The month-to-month change was 3.5 per cent in April.

The consumer confidence in Turkiye rose from 87.5 in April to 91.1 in May. The change rate also grew from 9.2 per cent in April to 4.0 per cent in May, showing that although the consumer confidence improved, the rate of increase slowed down.

The retail trade confidence rose marginally from 116.2 in April to 116.7 in May. The rate of change reflected this slight increase, moving from a -1.3 per cent change in April to a 0.4 per cent increase in May, as per the data.

Source: fibre2fashion.com – May 29, 2023

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Azerbaijani firms start exporting cotton fibre to Turkmenistan

Azerbaijani companies like MKT IK, Azerpambig and P-Agro have started exporting cotton fibre to Turkmenistan, according to the former's Economic Zone Development Agency (EZDA).

Initially, 30,000 tonnes of cotton fibre will be sent to Turkmenistan by ships from Baku International Sea Trade Port.

Other products obtained from cotton processing will also be exported to Turkmenistan in future.

Targeted work is being done to raise production and export of competitive non-oil products, improve access to traditional and new markets and the processing industry is expanding, EZDA said.

In the Mingachevir Industrial Park, textile industry development work is under way. Cotton clusters are also being created in the country, an Azeri news outlet reported.

Source: fibre2fashion.com – May 29, 2023

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Cambodia & UK sign MoU to strengthen trade relations

In a bid to bolster trade cooperation, the ministry of commerce of Cambodia and the UK's ministry of business and trade have formalised a Joint Trade and Investment Forum (JTIF) through a memorandum of understanding (MoU). The newly established forum, backed by the MoU, aims to fortify the trade and investment ties between the UK and Cambodia, offering a platform to shape and advance these relationships.

The signing ceremony took place on May 26 at the ministry and was presided over by the Cambodian minister of commerce, Pan Sorasak, and the British ambassador to Cambodia, Dominic Williams. The inaugural gathering of the JTIF saw the participation of leaders from both nations, policymakers, and stakeholders, deliberating on critical trade aspects. These discussions revolved around the Developing Countries Trading Scheme, Cambodia's New Law on Investment, and the UK's focus on green and resilient economic growth, according to Cambodian media reports.

Minister Sorasak hailed the JTIF as a positive step towards strengthening the trade cooperation between the two nations, with the ambition to enhance the investment and business landscape and advocate for economic diversification.

The MoU aims to promote the export of products from Cambodia to UK and the influx of investment from UK into the country.

Source: fibre2fashion.com – May 29, 2023

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Vietnam Jan-May exports and industrial output down amid weak demand

Vietnam's exports in the first five months of this year fell 11.6% from a year earlier to \$136.17 billion, government data showed on Monday, as weakened external demand weighs on its manufacturing-led economy.

Its industrial output in the January-May period fell 2% from a year earlier, the General Statistics Office (GSO) said in a report, adding that average consumer prices in the period rose 3.55% from a year earlier. The latest data underlines a slowdown in economic growth for Vietnam, a key regional manufacturing centre, due largely to subdued global demand.

Imports in the first five months of this year fell 17.9% from a year earlier to \$126.37 billion, resulting in a trade surplus of \$9.8 billion, the GSO said.

The sharp imports decline could indicate a further slowdown ahead in industrial production, as businesses reduce procurement of raw materials and equipment. Vietnam is key exporter of electronics, garments and textiles, footwear and wooden items, including for top global brands.

Deputy Prime Minister Le Minh Khai earlier in May said the economy would face unfavourable external conditions during 2023. Vietnam is targeting growth of 6.5% this year, slower than the expansion of 8.02% in 2022. Vietnam's GDP growth slowed to 3.3% in the first quarter from expansion of 5.9% in the fourth quarter of last year.

Oxford Economics on Monday said it had cut its forecast for Vietnam's 2023 GDP growth to 3.0% from 4.2%. "We think that easing global growth, including a fading recovery momentum in China, mean that the depressing outlook for Vietnam's exports has further to run, casting clouds over the prospect of any rebound in GDP growth," it said in a note.

Exports in smartphones, Vietnam's largest export earner, fell 16% in the January-May period to \$21.17 billion, the GSO said.

In May, its total exports fell 5.9% from a year earlier, while imports were down 18.4%, the GSO added.

Source: breccorder.com – May 29, 2023

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NATIONAL NEWS

G20 to set norms to define startups

G-20 member countries will aim to arrive at a common framework to define startups next month, based on a draft policy communique issued by the grouping last week.

The contours of the framework would come up for discussion on June 3-4 in Goa during the meeting of the Startup20 Engagement Group.

Startup20 India chair Chintan Vaishnav said a common framework would help investors and other stakeholders of the startup ecosystem in the G-20 member countries.

"The objective of the Goa meeting is to build consensus on the communique... It may not be feasible to have a single definition," he said, adding that the attempt is to provide a framework of choices to the members countries to arrive at their respective definitions.

There are five task forces under this group-foundation, alliances, finance, inclusion and sustainability.

"The idea of the foundation is to come up with a startup definition framework, which is applicable across different economies... The attempt is to provide a framework of choices from which a country can create a definition," Vaishnav said.

There are about 850,000 startups across the G-20 countries, out of which over 98,000 recognised startups are in India. There are about 1,600 unicorns in these economies, of which about 108 are in India.

He said there is no common definition of a startup across these nations, which is required for a global startup ecosystem to work together and become interoperable.

Under alliances, the countries are trying to ensure that there is some form of platform to promote cooperation between key stakeholders of the startup ecosystem such as incubators and regulators.

Similarly, the idea of the finance task force is to unlock financing of startups in general for nations to invest in these enterprises and also cross-border investments.

"There are many other financial issues like taxation of startups, which is a very major issue across the world," he said, adding in the inclusion part, "we are trying to focus" on marginalised groups and empowering these groups by following best global practices.

Further, the idea of the sustainability task force is to say which are those startups that are willing to be measured by sustainable development goals.

According to him, the possible outcomes from the summit meeting in Gurgaon on July 3-4 could include adoption of policy communique on startups, a common framework to define startups, a global innovation centre or a global network of innovation centres that would implement what Startups 20 group wants to take forward into action. Discussions on how to factor startups in global trade would also take place.

Source: economictimes.com- May 29, 2023

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FDI equity inflows dip 22% to \$46 billion in FY23

Foreign direct investment (FDI) into India declined by 22 per cent to \$46 billion in FY23, dragged by lower inflows in computer hardware and software, and automobile industry, according to the Department for Promotion of Industry and Internal Trade (DPIIT) data. The FDI inflows stood at \$58.77 billion during FY22.

The overseas inflows during the March 2023 quarter plunged by 40.55 per cent to \$9.28 billion.

The FDI equity inflows declined in January, February, and March in the last fiscal to \$4.05 billion, \$2.85 billion, and \$2.38 billion, respectively as against \$6.4 billion in January 2022, \$4.61 billion in February 2022, and \$4.6 billion in March last year.

Total FDI inflows, which include equity inflows, re-invested earnings and other capital, declined by 16 per cent to \$70.97 billion in the last fiscal.

During FY23, Singapore emerged as the top investor with \$17.2 billion in FDI. It was followed by Mauritius (\$6.13 billion), the US (\$6 billion), the UAE (\$3.35 billion), the Netherlands (\$2.5 billion), Japan (\$1.8 billion), UK (\$1.73 billion), Cyprus (\$1.27 billion), Cayman island (\$772 million), and Germany (\$547 million), the data showed.

The FDI inflows have contracted in FY23 from Mauritius, the US, the Netherlands, the Cayman Islands, and Germany.

Though the computer software and hardware sector attracted the highest inflows of \$9.4 billion during the last fiscal year, these inflows are down as compared to \$14.5 billion in FY22.

Similarly, FDI in the automobile industry dipped significantly to \$1.9 billion in FY23 as compared to about \$7 billion in FY22.

The other sectors that recorded a dip in the inflows in the last fiscal include construction (infrastructure) activities and metallurgical industries.

However, the inflows have recorded growth in sectors, including services (\$8.7 billion), trading (\$4.8 billion), telecommunications (\$713 million), pharma (\$8.7 billion), 2 billion, and chemicals (\$1.85 billion).

State-wise, though Maharashtra received the highest inflows of \$14.8 billion during the last fiscal year, the inflows are down as compared to \$15.44 billion in FY22.

Similarly, the overseas inflows in Karnataka plunged to \$10.42 billion in FY23 as against \$22 billion in FY22. Other States/UTs where FDI dipped in FY23 include Delhi, Tamil Nadu, Haryana, Telangana, and West Bengal.

On the other hand, FDI in Gujarat has increased to \$4.71 billion in Fiscal 2023 as against \$2.7 billion in FY22. FDI has also reported positive growth in Rajasthan.

Source: thehindubusinessline.com- May 29, 2023

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Political stability helping drive investments to India: Chip Bergh, CEO, Levi Strauss

Chip Bergh, the global chief executive of denim maker Levi Strauss & Co., said political stability has helped Indians stay optimistic about the future, driving consumer demand as well as investment by multinationals.

"Having a stable government has definitely helped," Bergh told ET in an interview.

"It is part of what gives some of these consumers the confidence that we are living in a period of relative stability, especially relative to prior periods. In terms of investments from around the world, it creates an environment where you feel like your investments are relatively safe." In several countries, especially the company's US home market, consumers are battenning down the hatches and pulling back on spending due to the fear of recession. Compared with that, there's a high degree of consumer optimism in India, according to Bergh.

Larger Role in Global Supply Chain

The company said India will play a larger role in its global supply chain, not just in apparel but in other consumer businesses as well.

"We believe we have got a very bright future in parts of Asia," said Bergh, 65, sporting all-Levi's merchandise - tan leather belt, blue trucker jacket and jeans paired with a made-in-India T-shirt. "I think we are going to see continued investment, maybe even accelerated investment in some of these markets. And I think India would be very, very high on the list."

Despite inflation, lifestyle and discretionary segments in the country have seen double-digit growth, driven by pent-up demand, pandemic-related savings and continued casualisation at workplaces, a trend that has helped brands such as Levi's. It helps that the brand has an iconography enshrined in popular culture, whether it's the 501 jeans or the leather patch showing two horses trying to pull apart a pair of pants.

"There's this greater resilience with consumers in some of the emerging markets as they are used to economic turmoil, political turmoil, disruption, and that builds resilience in them," said Bergh, who spent nearly three decades with Procter & Gamble before coming to Levi's.

The San Francisco-based jeans maker, which opened its first door in India three decades ago, now has over 400 stores and competes with relatively newer entrants such as Zara and H&M in a market where youngsters are increasingly embracing western-style clothing. While fast-fashion rivals create affordable, copycat versions of the latest trends or designer wear and make them available to shoppers in double-quick time, Levi's has a different strategy.

"The thing that separates us from Zara and H&M is that we are the opposite of fast fashion - we are slow fashion," said Bergh, who joined Levi's in 2011, took it public, turned the brand around and made it a \$6.2 billion company. "Just being self-critical, probably we don't have enough fashion in our line today here in India. But what we have got is a brand that is highly differentiated versus others and so for the people that really want quality denim, they are still going to come to Levi's."

Over the past decade, it has also consolidated franchisees down to two dozen from over 80. It's opened a few company-owned and operated shops that are significantly larger than the average 2,000 square foot store size.

The company posted a 58% year-on-year increase in net sales in India to Rs 1,154 crore in FY22, as per the latest available filing. However, unlike rivals that report retail sales, Levi's revenues are not comparable because sales are accounted at wholesale prices to franchise partners.

A decade ago, competition from global brands as well as a rash of local labels had resulted in Levi's drifting off the youth radar. That's changed, according to the company. And, it's now one of the most democratic brands in the world, spanning all demographic segments.

"Our sweet spot was kind of in the 20-35-year-old range. But at the same time, we have 40-year-olds, 50-year-olds coming into the store to buy Levi's," said Bergh.

Source: economictimes.com- May 30, 2023

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North India cotton acreage may remain at last year's levels

The area under cotton in North India is unlikely to exceed levels witnessed last year as farmers in Punjab are seen reducing the acreage in the kharif planting season. However, aided by unseasonal rains in early April, farmers are likely to bring more area under the natural fibre crop in Haryana and Rajasthan.

“Cotton sowing is down in Haryana by about 10 per cent as of today. With planting to go on till first week of June, we expect it to be covered,” said Ashwani Jhamb, Vice-President, Indian Cotton Association Ltd.

The area in Punjab will be down this year as farmers, faced with quality and quantity issues last year due to pest attacks, are seen shifting to paddy in some regions. However, in Rajasthan, rains in April have helped farmers to take up cotton sowing, Jhamb said.

The Indira Canal is shut due to repair works and is likely to be opened next week. Though canal water availability is an issue, farmers have benefited from early rains, he said.

Most of the districts in northern Rajasthan, Punjab and parts of Haryana have received higher than normal rains in the March-May period this year as per IMD data. While unseasonal rains impacted the harvest of rabi crops, it is seen helping farmers take up early sowing of cotton. “Overall we expect the cotton area in North India to go up by around 10 per cent,” Jhamb said.

Seed sales same as 2022

During 2022-23, cotton was planted in about 2.41 lakh hectares (lh) in Punjab, 6.47 lh in Haryana and 7.77 lh in Rajasthan. “In the North, the overall area is unlikely to exceed last year's levels despite Punjab trying to boost area. Farmers, who were impacted by the pest attacks last year, have not come forward to increase the acreages” said M Ramasami, Chairman of Rasi Seeds Pvt, the largest hybrid cotton seed firm. There will be a 2-3 per cent increase in Rajasthan and Haryana, he said.

Rasi expects its sales of cotton seeds at last year's levels of 50 lakh packets in North India. The overall hybrid cotton seed market in North is seen at between 75 and 80 lakh packets, same as last year.

Satyendar Singh, CEO of seed business at Crystal Crop Protection Ltd, said “Except Punjab and some parts of Haryana, particularly Jind district, the sentiment is positive towards cotton this year. North Rajasthan is also positive and the area may increase by 15-20 per cent in Ganganagar district. In Haryana, the overall area may remain the same or see some increase, mainly in the southern part of the State.” His company, which has sells 17 cotton hybrids across the country, saw sales better than last year, he said.

Illegal Bt seeds sales down

Interestingly, in Punjab the area under the illegal BG-III cotton is seen declining sharply this year, contributing to the decline in overall cotton area.

Ramasami said the sale of unapproved BG-III cotton seeds in Punjab has been totally controlled this year due to the efforts of the state agriculture department.

Crystal’s Singh said farmers, who planted the unapproved BG-III hybrids last year had faced huge losses due to the increased pest attacks such as cotton leaf curl virus and white fly. As a result, they are staying away from planting illegal seeds, which is reflected in a decline in the overall cotton area in Punjab.

Source: thehindubusinessline.com- May 26, 2023

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Suggestions of influential persons on trade policy and their scrutiny

“India needs to cultivate an overall narrative of trade optimism that goes beyond numbers”, say Abhishek Manu Singhvi, a well-known lawyer and Member of Parliament in Rajya Sabha who heads the Parliamentary Standing Committee on Commerce and Pradeep Mehta, a well known expert on international trade matters and the chief of CUTS (Consumer Unity and Trust Society) International, in an article that appeared on Friday in a leading financial daily.

The other suggestions of the authors include promotion of exports, control of non-essential imports and encouraging their domestic manufacture, production linked incentive (PLI) scheme for manufacturing marine containers, better dissemination of information regarding standards and certification requirements involved in Free Trade Agreements (FTA), intellectual property financing and leveraging, reviewing the recent moves to reduce export incentives, reducing logistics costs and so on. The high stature of the authors warrants a closer at the suggestions.

The government is keen on giving incentives for exports but is also keen on justification on the basis of export performance. The outgo on account of the Merchandise Exports from India Scheme (MEIS) introduced in April 2015 had gone up to around Rs 45,000 crores by 2019-20 but the merchandise exports didn't go up at all from \$314 billion during the 5 years period. After abolition of that incentive scheme in January 2021, the merchandise exports shot up to an estimated \$450 billion within next 2 years. Similarly, the services exports also went up from about \$206 billion in 2020-21 to about \$320 billion by 2022-23, after abolition of the Services Exports from India Scheme (SEIS) in April 2020. So, it is very difficult to convince the Finance Ministry to promote exports through incentives. At present, the government's preference is to link PLI partly with export performance.

The authors say that the full effects of the government's Gati Shakti programme has not yet translated to the ground in significant reduction of costs. Of course, it is too early to judge that. Still, there are views that the government is focusing more on road infrastructure than the rail infrastructure for movement of cargo. Also, that the railways is focusing more on rolling stock and passenger trains than on enhancing the track/network capacity and movement of cargo.

About 30 years back, DCM Hyundai and some other companies started making containers in India. They failed because the price of the essential raw material i.e. steel was too high. Since then the China has been the major supplier of containers. In the last two years, some well established businesses have shown interest in container manufacturing as the Container Corporation of India has decided to source the containers from them. Yet, the major shipping lines still prefer the cheaper containers from China. It is doubtful if the PLI scheme will change that position very much.

The government has been trying to curb non-essential imports through higher tariffs and some non-tariff barriers. Experience has shown that such efforts only encourage lobbying and do not significantly help the economy. Since 2015 the government conducted several outreach programmes to help the trade understand the benefits of FTAs but that has not had much impact on imports or exports.

It is encouraging that influential persons give suggestions on trade related issues but their suggestions should stand up to stringent scrutiny.

Source: business-standard.com - May 28, 2023

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Shahi Exports to implement ‘YESS’ standards in textile mill

Shahi Exports will implement Responsible Sourcing Network’s “Yarn Ethically & Sustainably Sourced” (YESS) standards, according to a press release.

Shahi was one of the seven global suppliers that piloted the YESS standards in 2022 and has now become the first textile mill in India to take the lead in implementing it. YESS conducted its initial independent assessments at Shahi Exports’ knitting and spinning facilities recently.

The YESS is an initiative by Responsible Sourcing Network to achieve a forced-labour free cotton supply chain for the garment and textile industry. The initiative was officially presented in India on May 2.

“This joint effort (with Shahi) represents a significant milestone in the pursuit of responsible and transparent cotton supply chains,” said Patricia Jurewicz, CEO of Responsible Sourcing Network.

Source: thehindu.com - May 28, 2023

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