



**IBTEX No. 149 of 2023**

**August 21, 2023**

<b>Currency Watch</b>			
<b>USD</b>	<b>EUR</b>	<b>GBP</b>	<b>JPY</b>
<b>83.10</b>	<b>90.43</b>	<b>105.85</b>	<b>0.57</b>

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## INTERNATIONAL NEWS

### **US' e-commerce sales rise 2.1% in Q2 '23, hit \$277.6 bn: Census Bureau**

The adjusted estimate for US' e-commerce sales in the second quarter (Q2) of 2023 was \$277.6 billion, marking an increase of 2.1 per cent from Q1 2023, according to the latest figures by the Census Bureau of the Department of Commerce. In comparison, total retail sales remained virtually unchanged at \$1,798.2 billion, with a negligible variation of plus or minus 0.2 per cent from the first quarter of the same year.

The e-commerce sales estimate for Q2 2023 also saw an increase of 7.5 per cent from the second quarter of the previous year, while total retail sales increased only 0.6 per cent in the same period. As a result, e-commerce sales accounted for 15.4 per cent of total sales.

On an unadjusted basis, the US retail e-commerce sales for Q2 2023 totalled \$269.5 billion, a rise of 6.6 per cent from Q1 2023. This reflects a growth of 7.7 per cent from the second quarter of 2022, while total retail sales witnessed a modest increase of 0.5 per cent in the same period. Unadjusted e-commerce sales in Q2 2023 accounted for 14.7 per cent of total sales, as per the Census Bureau.

Source: fibre2fashion.com – Aug 21, 2023

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## **EU, China major trading partners despite decoupling, de-risking talks**

Eurostat data show European Union (EU)-China trade has increased in recent years despite talks of ‘decoupling’ from or ‘de-risking’ economic links with China. Such trade reached \$847.3 billion in 2022, a 2.4-per cent increase over the previous year.

European imports from China nearly doubled in value between 2018 and 2022.

An Organisation for Economic Cooperation and Development analysis showed China remained the leading supplier of goods to the EU during the first half this year.

China and the EU are each other's main trading partner, a Chinese state-controlled media outlet reported.

Source: fibre2fashion.com – Aug 20, 2023

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## **US jobs resilience shows easing labour supply limits: Fitch Ratings**

Fitch Ratings perceives the continuing payroll gains in the United States as a sign of wider US economic resilience, but it feels the 2.7 million expansion in payrolls in the past 15 months there reflects easing labour supply constraints rather than robust growth in labour demand.

This has allowed actual employment to catch up with companies' desired employment levels after suffering severe labour shortages in 2021, the rating agency said in its latest Economics Dashboard.

Despite recent jobs growth, the share of adults in work remains well below pre-COVID-19 pandemic rates. This reflects the lasting fall in labour force participation rates and shows the impact of labour supply constraints on the post-pandemic jobs recovery, Fitch Ratings said in a release.

The pick-up in jobs in 2021 lagged well behind the rapid recovery in gross domestic product (GDP) despite a strong rebound in 'desired' labour demand.

In the event, companies were unable to fill all the positions they were seeking to hire for, owing to an anaemic recovery in the labour force, Fitch Ratings said in a release.

But the supply constraints that dampened employment growth in 2021 started to ease from mid-2022 as net immigration flows recovered, boosting the labour force.

The rating agency's measure of desired labour demand has risen by only 0.3 million since March 2022 as job openings have fallen by 2.4 million.

It continues to expect payrolls to start falling before year-end.

Source: fibre2fashion.com – Aug 19, 2023

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## China is slowing. What does it mean for India?

What are the latest numbers on Chinese growth which are flashing red?

The general expectation was that the Chinese economy would rebound this year after three years of zero-Covid policy. But the latest economic data show that the world's second largest economy has slipped into deflationary mode. Both retail sales and industrial production missed forecasts in July. According to the National Bureau of Statistics (NBS), retail sales in July grew 2.5 per cent year-on-year, compared to a 3.1 per cent in June, and value-added industrial output expanded by 3.7 per cent y-o-y, slowing from the 4.4 per cent growth witnessed in June.

China's exports fell by 14.5 per cent in July compared with a year earlier, while imports dropped 12.4 per cent. And overall unemployment rate had risen to 5.3 per cent in July. Youth unemployment, a keenly watched indicator, hit a record 21.3 per cent in June. China's debt is now estimated at 282 per cent of GDP, which is more than that of the US.

But the most worrying aspect is shrinking domestic demand. The prices of apartments and a range of goods and services have fallen, with the Consumer Price Index-based inflation dropping by 0.3 per cent after flatlining in June.

What are the main causes behind this slowdown?

The Chinese economy is currently facing a crisis of confidence. A confluence of factors has led to this. The major one is the near collapse of the decades long debt-fuelled housing sector, which contributes to about 30 per cent of China's GDP. The country's protracted and stringent lockdown — shutting schools, offices, parks, etc — all but choked the domestic economy. It created global supply-chain upheavals as well. These, along with geopolitical tensions, triggered manufacturing relocations, weakening domestic growth and consumer spending further.

Meanwhile, the government began cracking down on its vibrant tech sector — video gaming, edtech, e-commerce — on the grounds that the tech companies were getting too big and powerful. This has resulted in huge losses of revenues and jobs, as many of these firms had to downsize or shut shop.

Amidst the declining and uncertain economic environment, Chinese investors and households are cutting back on spending, leading to a deflationary situation.

What has been the reaction of global markets to this news?

The grim data from China saw the S&P 500 fall 1.2 per cent on Tuesday. US Treasury Secretary, Janet Yellen, warned that China's slowing economy was a 'risk factor' for the US economy. Apart from Chinese stocks, Japan's Nikkei and the Nifty took a beating following the data release. China's central bank has cut its benchmark lending rate to prop up the economy, but investors were hoping for big-bang stimulus measures.

There was upheaval in the currency market too with the yuan losing ground against the US dollar. The rupee slid to life-time low against the dollar as currency market panicked. Global bond yields have also been shooting higher, signalling heightened risk aversion.

Why are global markets worried about the slowdown?

The latest data suggests that China may struggle to achieve the growth target of around 5 per cent set for the year. A slowdown in China will affect global demand. Not only is China the world's largest manufacturing economy, but it is also the largest consumer of key commodities. It accounts for almost half of the world's metal consumption. The IMF had previously forecast that China would account for 35 per cent of global growth this year, but that's looking far-fetched now.

Is a slowing China good or bad for India?

India is hoping to compete with China as a major player in the global supply chain and as a manufacturing hub. It has unveiled schemes like PLI (Production Linked Incentive) to boost domestic manufacturing. India's China plus strategy can get a boost if Chinese exports taper down.

Commodity markets are very sensitive to Chinese demand. If China begins exporting base metals and other commodities at reduced prices, due to slowing demand, it could benefit our manufacturers. On the other hand, if Chinese producers begin cutting back on production of metals and other commodities due to slowing domestic demand, it will push commodity prices higher.

Source: thehindubusinessline.com– Aug 20, 2023

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## **Iran's Textile Industry Registers 17.1% Growth in 2022: Official**

Iran's textile industry showed a 17.1 percent hike in production in 2022 compared to a year earlier, the director general of the Ministry of Industry, Mine and Trade for Clothing and Textile Affairs said.

Speaking to reporters on Sunday on the occasion of organizing the first edition of the Specialized International Exhibition of Fabrics and Related Industries, Mohsen Gorji emphasized that this industry is a pioneering industry.

He put the number of existing industrial and production units involved in producing machine-made carpets in the country at 1,000.

Carpet is a competitive product, he said, adding that the value of the country's export of machine-made carpets stands at \$280 million.

Iran enjoys high capability and capacity in producing high-quality handwoven and machine-made carpets, Gorji emphasized.

The first Specialized International Exhibition of Fabrics and Related Industries will be held at Shahr-e-Aftab International Exhibitions Center in Tehran on September 9-12 with the participation of more than 90 producers and suppliers of fabrics.

Source: [tasnimnews.com](http://tasnimnews.com)– Aug 20, 2023

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## **Turkish textile exports decline by 13.6% in H1 2023**

Turkish textile exports declined by 13.6% in the first half of 2023, reaching \$5.9 billion. This was led by a 22.1% drop in exports to the European Union, the top export destination. Exports to African countries also declined by 18.9%.

In terms of product groups, woven fabric was the most exported product, followed by technical textiles and yarn. However, all three product groups saw declines in exports. Knitted fabric exports bucked the trend, rising by 0.9%.

The decline in textile exports was accompanied by a drop in capacity utilization and production. The capacity utilization rate in the textile product manufacturing sector fell to 70.7% in June 2023, from 79.5% in the same month of the previous year. The textile industry production index also declined by 11.2% in April 2023.

The decline in textile exports is likely due to a number of factors, including the rising cost of raw materials, the ongoing war in Ukraine, and the global economic slowdown.

Source: fashionatingworld.com– Aug 19, 2023

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## **France introduces repair bonus to cut clothing waste**

France has introduced a new initiative to encourage its citizens to repair garments instead of disposing of them with a plan to decrease clothing waste.

Under the initiative, French people will be able to claim back between €6 and €25 of the cost of mending clothes and shoes in workshops or at cobblers that have joined the scheme from October.

The repair bonus will be paid from a €154 million fund the government has set aside for the next five years. The initiative will be run by the eco-organisation Refashion.

The Guardian says more than 100 billion textiles – the terms covers clothing, shoes and household linen – are sold worldwide annually. In France, this amounts to about 10.5kgs a year for each person.

An estimated 700,000 tonnes of clothing is thrown away in France every year, two-thirds ending up in landfill.

Refashion aims to encourage people not only to repair and reuse, but to reduce the amount of textiles they buy and to donate those they no longer want. It says about 56 per cent of the donations can be used again and 32 per cent can be recycled into something new.

The repair bonus scheme is part of a wider push by the French government, starting at the end of last year, to reform the textile industry, one of the most polluting on the planet, and to combat what is termed fast fashion.

A bdnews24.com report says, to cultivate more thorough reuse and recycling practices, the West can look to Bangladesh, which has embraced such principles for decades.

Upcycling – transforming by-products and waste materials into new materials or products of greater quality - has been a critical part of Bangladesh's vibrant garments industry.

The sector has long practised repurposing old clothes, showcasing its resourcefulness and moving closer to sustainability. Instead of discarding worn-out garments, they creatively repurpose them as practical cleaning tools for dusting or as eco-friendly mittens in the kitchen, offering alternatives to disposal.

This ingrained sustainability within Bangladeshi culture highlights that sustainability goes beyond government initiatives, reflecting deeply ingrained personal values and everyday actions.

Bangladesh's upcycling traditions and the France repair bonus recognise the importance of minimising waste, extending textile lifespans, and embracing circular economy principles.

Source: [thefinancialexpress.com.bd](http://thefinancialexpress.com.bd)– Aug 20, 2023

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## **Bangladesh adopts GM cotton**

Bangladesh on Sunday released two varieties of a genetically modified (GM) cotton for domestic cultivation, aiming to increase yields and reduce import dependence.

The GM cotton has genetic traits taken from a soil-dwelling bacterium - *Bacillus thuringiensis* (Bt) - that effectively fights bollworm, a caterpillar responsible for damaging cotton yields.

This is the second GM plant to be introduced in the country. Bangladesh joined the GM-crop cultivating nations in 2014 introducing Bt brinjal, the first GM food crop in South Asia.

At least 20 percent of the country's demand for cotton, or around 15 lakh bales, can be met by locally cultivating the Bt and hybrid varieties of cotton, said Agriculture Minister Muhammad Abdur Razzaque.

Addressing a seminar on the introduction at Cotton Development Board in Dhaka, he said there was a demand for 16 lakh bales of cotton for domestic consumption.

Another 85 lakh bales of cotton are currently required by the country's spinning and weaving industries for the production of yarn and fabrics for export-oriented garment factories.

However, local growers can only supply two lakh bales of cotton.

Almost all of the required cotton is imported from different countries like India, Pakistan, Brazil, Australia, Argentina and from South African and central Asian countries at a cost of around Tk 33,000 crore a year.

Many countries that used to import cotton eventually turned into cotton exporting nations cultivating Bt cotton, said Md Fakhre Alam Ibne Tabib, executive director of the CDB, in a keynote paper.

Bt cotton was cultivated for the first time in 1996 and neighbouring India took it up in 2002, he said.

The average yield of Bt cotton is 4,500 kilogrammes (kg) per hectare of land, which is 15 percent to 20 percent higher than the local variety, while the production cost is 12 percent to 15 percent lower, he said.

Production of a kg of cotton locally can save three US dollars and production of a tonne of cotton seed can create employment for five persons, he said.

Source: thedailystar.net– Aug 20, 2023

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## **Pakistan: Over \$1 billion textile products exported in July**

Textile exports reached \$1,311.659 million during the first month of the current financial year (2023-24), the Pakistan Bureau of Statistics (PBS) reported. Textile exports showed a decline of 11.44 percent from \$1,481.173 million during the same month of last year (July 2022-23).

The textile commodities that contributed in trade growth included cotton yarn the exports of which increased by 35.96 percent to \$97.031 million during the July 2023 as compared to the exports of \$71.365 million last July year. The other commodities that witnessed growth in trade included tents, canvas and tarpulin, the exports of which grew by 9.02 percent to \$9.523 million from \$8.735 million whereas the export of cotton carded rose by 100 percent to \$0.209 million.

The textile commodities that witnessed negative growth in trade included cotton cloth, the exports of which declined by 22.56 percent, from \$181.985 million to \$140.936 million.

Likewise, the exports of knitwear also went down by 16.13, from \$434.642 million to \$364.541 million, bed wear by 14.60 percent, from \$253.988 million to \$216.910 million, towels by 2.93 percent, from \$74.965 million to \$72.766 million and ready made garments by 9.80 percent, from \$304.571 million to \$274.733 million.

The exports of art, silk and synthetic textile also went down by 16.18 percent from \$31.218 million to \$26.167 million, made up article (excluding towels and bedwear) decreased by 7.54 percent from \$55.199 million from \$51.039.

The exports of all other textile materials decreased by 10.13 percent from \$60.041 million to \$53.961 million.

Meanwhile, on month-on-month basis the textile exports from the country declined by 10.89 percent during the month of July 2023 as compared to the exports of \$1471.976 million recorded in June 2023, the PBS data revealed.

Source: [dailytimes.com.pk](http://dailytimes.com.pk)– Aug 20, 2023

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## **Pakistan: Weekly Cotton Review: Spot rate up as cotton prices continue to rise**

Cotton prices continued to rise during previous week. There was an increase in spot rate by Rs.300 per maund. The production of cotton was twenty lac and fifteen thousand bales. Up to August 31, the production is expected to be 12.6 lac bales, 82% more than the same period of last year which was about 28 lac bales.

Total production is expected to exceed 1 crore bales. However, the textile sector is badly affected due to gas shutdown. There is about 14.44% decline in textile exports. Measures should be taken to make the export industry profitable.

In the domestic cotton market, cotton prices continued to rise, besides the trading volume also increased during the past week due to interest in buying of cotton by textile spinners, as well as, increase in buying by cotton ginners.

There are many factors which are responsible for this factor which including relative decrease in the supply of cotton, increase in the price of cotton and higher rate of the US dollar.

On the other hand, a continuous increase in energy prices increased the difficulties and problems of textile industry besides many other sectors.

Especially the huge increase in the interest rate, tariffs of electricity and gas and especially reduced supply of gas is badly affecting the industry. The cost of doing business has also increased due to the increase in cost of petrol and diesel.

However, the news of the appointment of Gohar Ijaz Patron in Chief All Pakistan Textile Mills Association as the minister for industry and textile is a welcoming development especially for the textile sector.

Gohar Ejaz said in a TV interview the other day that export industries especially textile sector will not need subsidies for energy. He said that he had a clear economic plan for this. Now as an opportunity is given to him, he will try to solve the energy problem by implementing the proposed plan.

The price of cotton in Sindh province is in between Rs 18,000 to Rs 18,300 per maund. The price of Phutti per 40 kg is in between Rs 7,300 to Rs 8,400. The rate of cotton in Punjab is in between Rs 18,300 to Rs 18,7000 per maund while the rate of Phutti is in between Rs 7,200 to Rs 8,600 per 40 kg. The rate of cotton in Balochistan is in between Rs 18,100 to Rs 18,300 per maund and the rate of Phutti is in between Rs 7,400 to Rs 8,500 per 40 kg. The rate of Khal, Banola and oil; however, remained stable.

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

Naseem Usman, chairman of Karachi Cotton Brokers, said that there was a decline in the price of cotton in the international cotton market. The rate of Future Trading after fluctuation was around 83.62 American cents.

According to USDA's weekly export and sales report, one lac eighty six thousand and three hundred bales were sold for the year 2023-24.

China was at the top by buying one lac and thirty eight thousand and four hundred bales. Turkey bought 13,200 bales and came second. El Salvador was third with 10,500 bales.

Exports of the country's textile group, during the first month (July) of the current fiscal year 2023-24, declined by about 11.44percent on annual basis to \$1.311 billion as against \$1.481 billion.

The new government should take immediate steps to make the export industry viable and profitable. The reason for the unemployment of millions of people associated with the textile industry is that the problems of the industry are not being solved in time.

If the supply of expensive electricity and gas to the national textile industry and the export sector continues, Pakistan's textile exports will decrease due to being expensive compared to textiles of Bangladesh, Sri Lanka and India.

These views were expressed by Muhammad Javed Balwani, chairman of Pakistan Apparel Forum, while giving an interview after a liaison with the officials of textile/ garments, bedwear and related organizations which are part of the forum.



He said that due to any uncertain economic situation in Pakistan, the confidence of domestic and foreign investors is immediately shaken, but it takes years to recover.

However, Syed Usman Ali, chairman of South Circle of Towel Manufacturers Association of Pakistan, has expressed serious concern about the two-day weekly gas supply cut off to export units in Sindh and Balochistan.

SSGCL on a weekly basis has announced a two-day gas shutdown for all industrial units and captive power plants in Karachi and this gas shutdown has deepened the woes of exporters in Pakistan's economic hub.

Gas outages, particularly, adversely affect the manufacturing process of textile export-oriented units.

Cotton arrival in Pakistan witnessed a significant increase of 48% on August 15 compared to August 1, as per the latest fortnightly data released by the Pakistan Cotton Ginner's Association (PCGA) on Friday.

Total cotton arrival in Pakistan rose to 2.12 million bales as of August 15 compared to 1.43 million bales recorded on August 1, 2023, an increase of 0.69 million bales.

A year-on-year comparison was not available, as data was not collected on August 1, 2022, said PCGA.

Last year, flash floods in Pakistan devastated large swathes of agricultural land in the country, especially in Sindh and Balochistan.

The improvement in cotton arrivals, an essential raw material for the textile sector, is a welcome development for cash-strapped Pakistan.

As per the PCGA data, cotton arrival reported a substantial increase from Punjab.

As of August 15, cotton arrival in Punjab clocked in at 0.64 million bales as compared to 0.39 million bales reported on August 01, 2023, an increase of 64%.

Similarly, cotton arrival in Sindh was 1.48 million bales compared to 1.04 million bales recorded in August 1, an increase of 0.44 million bales or 42%.

However, Chairman of Karachi Cotton Brokers Forum Naseem Usman, making an interesting comparison of cotton production, said that till August 31 last year cotton production in the country was 15 lakh 39 thousand 710 bales, now till August 15 cotton production was 21 lakh 15 thousand and 4333 bales then this years cotton production is five lac seventy five thousand and 723 bales more than the last years production of cotton.

If the production for 16 days in the month of August is assumed to be about 7 lakh bales, then the production will be about 28 lakh bales.

According to this calculation, the production of cotton in the country till August 31 will be 82% more than the production on August 31 of last year by about 12.50 lac bales. If the weather conditions are favourable, the total production can exceed one crore bales.

Source: breccorder.com– Aug 21, 2023

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## NATIONAL NEWS

### **India to rapidly expand during FY24: S&P Global Market Intelligence**

After two years of rapid economic growth, the near-term economic outlook for India is for continued rapid expansion during fiscal 2023-24, underpinned by strong growth in private consumption and investment, according to Rajiv Biswas, Asia Pacific chief economist with S&P Global Market Intelligence.

The acceleration of foreign direct investment inflows into India over the past decade reflects the favourable long-term growth outlook for the Indian economy, helped by a youthful demographic profile and rapidly rising urban household incomes, he noted in a commentary on the company's website.

India's nominal gross domestic product (GDP) measured in US dollar terms is projected to rise from \$3.5 trillion in 2022 to \$7.3 trillion by 2030. This rapid pace of economic expansion would result in the size of the Indian GDP exceeding Japanese and German GDP by 2030, making India the second largest economy in the Asia-Pacific region, he noted.

The seasonally adjusted S&P Global India manufacturing purchasing managers' Index (PMI) posted 57.7 in July, broadly in line with the reading of 57.8 in June. The index signalled continued robust expansion in the manufacturing sector. Business conditions have now strengthened in each of the past 25 months, he wrote.

Cost inflation pressures strengthened in July, with acceleration noted by both goods producers and service providers. At the composite level, input costs increased at the fastest rate in a year, he added.

Source: fibre2fashion.com– Aug 21, 2023

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## **India, Asean decision on review of free trade agreement in goods expected tomorrow**

A decision on a long pending issue of initiating a review of the existing free trade agreement on goods between India and the 10-nation Asean bloc may be taken up during a meeting in Indonesia on Monday, an official said. The issue will come up for discussion and decision during the India-Asean economic ministers meeting on Monday. The meeting is being held on the sidelines of the ongoing meeting of the Economic ministers of ASEAN.

An Indian delegation is already there for the deliberations.

India has asked for the review of the agreement with an aim to eliminate barriers and misuse of the ASEAN India Trade in Goods Agreement, which came into effect on January 1, 2010.

"The agenda will come up for discussion and decision tomorrow during the India-Asean (Association of Southeast Asian Nations) economic ministers meeting," the official said.

Members of the Asean include Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam. In general, such review exercise includes matters like implementation issues, rules of origin; verification process and release of consignments; customs procedures; further liberalisation of trade in goods; and sharing and exchange of trade data.

India on several platforms has asked for a review of the agreement.

A trade expert said that the trade arrangement has to be reciprocal, mutually beneficial and should balance the aspirations of all the partners.

"Once the decision on the launch of the Asean-India Trade in Goods Agreement (AITGA) review is taken, formal negotiations for the review will start," the official said, adding that "AITGA review has been under consideration for a number of years. Joint committee on review has been constituted. Joint committee has done two meetings virtually so far on the issue".

The AITGA entered into force on January 1, 2010, which created one of the world's largest free trade areas. This was followed up by the ASEAN-India Trade in Services Agreement and another pact on investments both of which were implemented in 2015.

Recently, Commerce and Industry Minister Piyush Goyal had stated that the India-Asean trade agreement is the 'most ill-conceived' one.

Trade experts said that the review demand is there because India's exports to Asean have been affected due to non-reciprocity in FTA concessions, non-tariff barriers, import regulations and quotas.

Concerns have also been raised about the routing of goods from third countries in India through Asean members by taking the duty advantages of the agreement. Asean has a much deeper economic engagement with China through the Asean China Trade and Goods Agreement.

During 2010-11, India's exports to ASEAN increased to USD 25.7 billion from USD 18.11 billion in 2009-10. However, imports in 2010-11 rose to USD 30.6 billion from USD 25.8 billion in 2009-10. Similarly, during 2022-23, India's exports to ASEAN increased to USD 44 billion from USD 42.32 billion in 2021-22. However, imports jumped to USD 87.57 billion in 2022-23 as against USD 68 billion in 2021-22.

The trade deficit has widened to USD 43.57 billion in the last fiscal from USD 25.76 billion in 2021-22. It was just USD 5 billion in 2010-11.

Source: [economictimes.com](http://economictimes.com)– Aug 20, 2023

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## **Cotton supply situation comfortable: SIMA**

Cotton arrivals so far during the current season that started in October last year has crossed 318 lakh bales according to data available with the Cotton Corporation of India, said the Southern India Mills' Association (SIMA).

Ravi Sam, the SIMA chairman, said in a press release that there were reports that cotton crop size this season will be 311.18 lakh bales. This is probably the ginning production, he said.

The Committee on Cotton Production and Consumption estimated the total production to be 343 lakh bales and opening stock at 39.48 lakh bales. The data shared by the Committee should be the benchmark for trade and industry, he said.

Cotton prices increased by ₹3,000 a candy in the last few days and were quoted at more than ₹60,000 a candy on Saturday amid fears of lower production.

The predominantly cotton-based Indian textile industry is facing challenges owing to high volatility in cotton prices and 11% import duty on cotton. Cotton textile exports including readymade garments dropped 23% during 2022-2023 and 18% in April -June 2023 compared with the corresponding period previous year. Cotton availability was not a challenge and stability and competitive cotton prices are essential for the industry, he said.

Source: thehindu.com– Aug 19, 2023

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## **Jul sees slowest pace of India's economic activity growth in 18 months**

Care Ratings' CareEdge economic meter (CEM), the index of India's economic activity, grew at a muted pace of 1 per cent in July this year compared with 5.7 per cent growth in June. Even sequentially, the index fell sharply to 108.9 in July from 117.9 a month ago. It was the slowest pace of expansion in 18 months.

This deceleration in growth was due to disappointing export and import numbers, mixed performance of rural demand indicators and significant growth moderation in corporate bond issuances, Care Ratings said in a release.

On the positive side, many high-frequency indicators like E-way bill issuances and power consumption performed well.

Merchandise exports contracted for the sixth consecutive month in July (16 per cent) amid ongoing economic uncertainty. The fall was sharper for petroleum products (43.7 per cent) contributed by year-on-year lower crude oil prices.

However, non-petroleum exports also contracted by 8 per cent.

Merchandise imports contracted by 17 per cent. Indicators of rural demand performed poorly in July.

Unemployment rate improved in July to 7.95 per cent from 8.45 per cent a month ago due to higher demand for agricultural labour. However, it was still much higher than a year ago—6.83 per cent in July 2022.

Source: fibre2fashion.in— Aug 20, 2023

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## **Readymade garment sector eyes double digit jump in biz**

Indore: With less than a fortnight left in Rakshabandhan that marks the start of the festival season, readymade garment industry of Indore eyes a double digit jump in business amid increase in orders for readymade garments from outstation markets of India.

Indore is a hub for ready-made garment manufacturers with presence of more than 1,500 small and medium sized garment manufacturers and festivals are the peak business season for the garment sector.

Manufacturers said expectations of better crop this year amid conducive weather conditions will lend support to business.

Readymade Textile Dealers Association president Ashish Nigam said, “Orders from traditional buyers in southern India have picked up and retailers are placing better orders. Enquiries from Maharashtra and Gujarat have also started and dispatch to these stations will start in around a week. Business this season is seen higher than the previous year and growth is seen in double digit.”

According to the Readymade Textile Dealers Association, business in this season is expected to remain between 15-20 per cent higher than the previous season amid high orders. Pinning hopes on orders from new outstation markets of India, garment manufacturers have increased purchases of fabrics and clothes from mills.

Indore, is a major trade centre for clothes and readymade supplies across the country with Tamil Nadu, Kerala and Andhra Pradesh as major markets sharing over 60 per cent of market share.

A garment manufacturer from a readymade complex wishing not to be named said, “I have started sending garments to my clients in Tamil Nadu and other parts of southern India. Orders are good this time and we are hoping for better revenues from sales of garments.” Manufacturers said fresh orders and dispatches to Maharashtra, Gujarat and Rajasthan will pick up from September.

Source: timesofindia.com– Aug 20, 2023

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## **Officers directed to hand over 1,000 acres in a month to Mega Textile Park in Kalaburagi**

Shivanand Patil, Minister for Textiles and Sugarcane Development, directed Kalaburagi district administration officials to hand over 1,000 acres in the first phase for the development of Mega Textile Park near Ferozabad off Kalaburagi-Jewargi Road under the Union government's PM MITRA Parks and mention the name of Textile Department in the RTC.

At a brief meeting of senior officers at Aiwan-e-Shahi Guest House in Kalaburagi on Sunday, the Minister stressed the need for speeding up the demarcation of government lands for the establishment of the Textile Park that was expected to attract investments of ₹10,000 crore.

“It is a mega project that is expected to attract around ₹10,000 crore in investments. We need to first provide required lands, complete the process of handing over the lands to the department, and erect a fence or compound wall for preventing its encroachment,” he said.

H.M. Kumar, Commissioner for Textile Development & Director of Handlooms & Textiles, presented a detailed report on the proposed Mega Textile Park.

### Sugar woes

Pointing to the complaints from the farmers, the Minister said that some of the sugar factories that had purchased cane from farmers at FRP [Fair and Remunerative Price] had not paid the farmers and directed Deputy Commissioner to take measures to ensure that all farmers would get their dues.

“Owing to the deficit monsoon and scarcity of water, the yield of the cane is expected to get diminished. The officers should ensure that the factories would start harvesting and crushing cane only after November first by obtaining prior permission from the government,” he said.

### Water needs

The officials briefed him about the rains, agricultural activities, water storage in the reservoirs, the condition of the drinking water supply and other important issues.

“Because of the deficit rainfall and the poor storage of water in the reservoirs, Vijayapura and Kalaburagi districts may face a drinking water crisis in the days to come. The officers need to be in touch with their counterparts in Maharashtra and get the water released from their reservoirs if required,” Mr. Patil said.

In her response, Deputy Commissioner Fouzia Taranum said that she had already talked to the officers in Maharashtra and brought the issue to the notice of district In-charge Minister Priyank Kharge.

Chief Executive Officer of Zilla Panchayat Bhanwar Singh Meena, Assistant Commissioner Mamatha Kumari, District Industries Centre Joint Director M. Sathish Kumar, Deputy Director of Land Records Praveen, Tahashildar Nagamma Kattimani and other senior officers attended the meeting.

Source: thehindu.com– Aug 20, 2023

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## **Agri officials deployed in cotton belt after pink bollworm attack in Punjab's Bathinda**

Punjab agriculture and farmers welfare minister Gurmeet Singh Khudian said following reports of pink bollworm attack on cotton crops in a few villages of Bathinda district, he has ordered four senior officers to camp in Muktsar, Bathinda, Fazilka and Mansa till August 31 as the next 15 days are very crucial for the crop.

“These officers will visit the field to inspect the cotton crop and guide farmers to prevent this pest attack, besides monitoring the work of the officials,” he said.

Khudian asked the agriculture department officials to go to the fields and help farmers and also directed them to send a status report daily.

Any negligence or laxity in duty will invite strict action, he stated in an official release.

The minister also directed officers to visit shops and manufacturing units of pesticides, besides, carrying out regular sampling for quality as well as rates at which pesticides are being sold to farmers.

He categorically said nobody will be spared who is found selling spurious pesticides.

Source: hindustantimes.com– Aug 21, 2023

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