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Currency Watch			
USD	EUR	GBP	JPY
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INTERNATIONAL NEWS

China's logistics sector shows steady growth in Jan-Jul 2023

China's logistics sector has exhibited steadfast growth in the first seven months of 2023, as per a report by the China Federation of Logistics and Purchasing. This comes despite high temperatures and flooding affecting some areas.

The federation's data indicated that social logistics grew by 4.7 per cent year-on-year (YoY), amounting to a total value of 189.9 trillion yuan (around $26.44 trillion). Furthermore, logistics related to industrial products saw a rise of 3.8 per cent YoY.

Total revenue for the logistics industry during the period also increased by 4.6 per cent YoY, hitting the 7.5 trillion yuan mark. The federation is optimistic that with the enforcement of supportive policies, the logistics sector will continue to improve steadily for the rest of the year.

Source: fibre2fashion.com– Sep 01, 2023

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Long-term ocean freight rates fall by over 60%: Xeneta

Long-term ocean freight rates continued their decline in August, marking a year of steady decrease for carriers, according to Xeneta. Carriers are facing challenging times in the contract market due to weak demand and increasing ship capacity, resulting in widespread long-term rate reductions.

Xeneta Shipping Index (XSI) data reveals a 7.8 per cent drop in contracted rates this August, adding up to a 62.7 per cent decrease from last year, the Oslo-headquartered ocean and air freight rate benchmarking and market analytics platform said in a press release.

Routes from the Far East, the busiest globally, witnessed a significant 75 per cent year-on-year (YoY) contract value reduction based on Xeneta's regional sub-index.

This pattern differs from the spot market, where major trade rates have risen in recent months. As the long-term market usually follows spot market trends, the current advantages for shippers might be temporary.

The XSI for European imports fell to 178.7 in August, down by 3.4 per cent from the previous month. Over the past 12 months, this sub-index has fallen by 60.1 per cent.

The XSI for European exports also fell by just an inch, as it declined by 2.8 per cent from July, bringing it to 188.1 in August. This sub-index has now been halved over the past, falling by 52.4 per cent from August 2022.

US imports as well as exports are increasingly being affected by the restrictions in place for Panama Canal transits.

The XSI for Far East exports has now fallen by almost 75 per cent since August 2022—the most of any major XSI import or export region.

At 117.7, the Far East imports XSI fell by another 2 per cent in August to 120.2 points, the lowest of all the XSI sub-indices. Since this sub-index peaked exactly a year ago, rates have come down by 51.1 per cent.

Source: fibre2fashion.com– Sep 01, 2023

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What Merchandise Availability Says About Retail and the Consumer

There's no shortage of merchandise availability according to off-price CEOs.

And one merchandising trend in particular stood out during their recent earnings calls: off-price executives aren't afraid of pulling back on orders to see if—and how—consumer shopping behavior shifts. This allows them to effectively chase sales. Once they can gauge the consumer mindset, they go back to the market and buy what they think will sell.

The TJX Cos. Inc. CEO Ernie Herrman told investors that he's still seeing tremendous off-price buying opportunities. And while the company has pulled back on early buys to take advantage of oversupply opportunities, he said TJX might pull back even more on expectations of "in-season" closeouts over the next six to 12 months.

"The flexibility of our close-to-need opportunistic buying allows our merchants to quickly react to the hottest trends in the marketplace and adapt to changing consumer preferences," he said. "The flexibility of our supply chain and store formats allows us to ship to our stores multiple times a week."

Buying much closer to need could foster more full-price selling, but off-price executives said they're quick to cut prices to clear out the goods faster. The strategy works for two reasons. First, there's enough capacity upstream to put new orders into production fast. That's partly due to improved supply chains, as well as retailers ordering less in general. And second, vendors often have goods on hand that they are willing to sell due to retailers canceling orders.

Ross Stores Inc. CEO Barbara Rentler said merchants have been "chasing the business, buying closeout, really looking for compelling values and bargains and that's across all areas in the company [and] because of the amount of availability of the market we've been able to do that." One concern cited by group president and chief operating officer Michael Hartshorn was that the fourth quarter "could be a very promotional holiday season."

So what does that say about how the department store channel competitors are planning their inventory levels? And what does that mean for retail and the consumer?

Department stores

Executives at department stores are shifting gears and putting on their best "reacting" face as they work on being more lean-and-mean.

"Today, we are reading and reacting to shifting consumer preferences in real time. We have remixed category and brand-level receipts, pulled back on what's not working, and chased into areas of strength," Macy's Inc. chairman Jeff Gennette told investors. "As we look to the remainder of the year, we are confident in the thoughtful and strategic promotional calendar and offerings we have planned and our ability to pivot to the right inventory at the right time and right value."

Gennette also said a "new discipline" over the past year-and-a-half is that "we always have receipts that can chase into signals that are positive." Equally important on a weekly basis is the ability to cut back "on signals that we expected that didn't materialize." He added that working with vendors and buying more at net cost instead of buying into markdown allowances gives Macy's the flexibility to respond to customer shopping patterns in real time.

Meanwhile at Nordstrom, "We continue to manage with leaner inventories, improved sell-through and faster turns across most of our categories, resulting in gross margins that are on par with last year's Q2, which was the highest margin quarter of 2022," CEO Erik Nordstrom told investors.

As for Nordstrom's off-price banner Nordstrom Rack, he said the shift in assortment mix to brands customers want has resulted in improved "high sell-through and faster inventory turns."

Pete Nordstrom, president and chief brand officer, told investors that the company is "maintaining reserves against our buy plans, which enables us to respond in-season to trends and customer demand."

Consumers

Signs of pressure on consumers remain unabated. While there have been indications that inflation had eased slightly over the summer, food prices remain high and that doesn't help discretionary spending on apparel and accessories.

Cracks in the picture of a "healthy consumer" were evident in a number of the second-quarter retail earnings' reports. Dillard's Inc. CEO William T. Dillard, II, said in a statement, "The cautious consumer we noted in the first quarter continued in the first few weeks of the second, leading to a sales decline of 3 percent." Dillard's net income for the period ended July 29 fell 19.5 percent to $131.5 million, on a 3 percent decline in net sales to $1.57 billion.

"In addition to the headwinds discussed on prior earnings calls, the expiration of student loan forgiveness beginning in October, higher interest rate levels, and lower new job creation are all new pressures on the consumer," Adrian Mitchell, Macy's chief operating officer and CFO, told investors. "As such, we believe it is prudent to maintain our cautious view on the consumer and their capacity to spend on the discretionary categories we sell." He said the quarter also saw higher bad debt assumptions and write-offs due to rising delinquencies, adding that credit card revenues are an indication of some of the pressures faced by its shoppers, Mitchell added.

And Cathy Smith, Nordstrom's chief financial officer, noted on her company's call that while the retailer has a higher quality credit consumer who is more resilient, the company has seen "delinquencies slowly rising" throughout the course of the year." She said Nordstrom is watching that closely because the trend could be a precursor for higher credit losses down the road.

For now, Burlington Stores CEO Michael O'Sullivan said he hasn't yet seen an influx of trade-down activity from higher-income customers.

On Tuesday, The Conference Board said that its Consumer Confidence Index fell in August to 106.1, from a downwardly revised 114 in July. Both components of the Index fell, with the present situation index at 144.8 from 153.0 last month and the expectations index slipping to 80.2 from 88 in July.

"Write-in responses showed that consumers were once again preoccupied with rising prices in general, and for groceries and gasoline in particular," Dana Peterson, The Conference Board's chief economist, said. She noted the pullback was evident across all age groups, most notable among consumers with household incomes of $100,000 or more and those earning less than $50,000.

For consumers, one's willingness to spend is closely tied to having a job. Economists at Wells Fargo Securities have long noted the potential for a slowdown in hiring, a factor that could curtail the level of spending that has thus far delayed the start of a dreaded recession. And now that slowdown might be on the horizon.

On Wednesday, ADP Research Institute's latest ADP National Employment Report found that private employers in the U.S. added just 177,000 jobs in August. That's well below the revised 371,000 jobs added in July. Recent interest rate hikes by the Federal Reserve can make it harder for companies to obtain financing. And higher expenses plus recession fears could result in employers putting the brakes on hiring. That in turn could see consumers finally put the kibosh on their spending.

Source: sourcingjournal.com– Aug 31, 2023

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Germany's inflation rate expected at 6.1% in Aug 2023

The inflation rate in Germany is expected to be 6.1 per cent in August 2023. In July 2023, the inflation rate was 6.2 per cent, as per the Federal Statistical Office (Destatis).

Consumer prices are expected to increase by 0.3 per cent on July 2023. The inflation rate excluding food and energy, often referred to as core inflation, is expected to be 5.5 per cent; it was 5.5 per cent in July 2023, Destatis said in a press release.

At 8.3 per cent, the year-on-year (YoY) increase in energy prices in August 2023 was higher than the change rate of the overall index. One of the causes is a base effect as a consequence of the low index level of August 2022, which was influenced by the measures of the federal government's third relief packages.

Source: fibre2fashion.com– Sep 01, 2023

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Italy's consumer confidence index drops to 106.5 in Aug 2023

In August 2023, Italy’s consumer confidence index decreased slightly from 106.7 to 106.5. Compared to the previous month, there was an improvement of the personal and the current climate indexes—from 101.1 to 101.5 and from 101.0 to 101.4, respectively. But negative signals came both from the economic and the future climates—from 123.4 to 121.5 the first and from 115.0 to 114.1 the second.

With reference to the business confidence climate, the index—the Italian National Institute of Statistics (ISTAT) Economic Sentiment Indicator (IESI)—changed for the worse from 108.9 to 106.8, ISTAT said in a press release.

The confidence climate in manufacturing decreased from 99.1 to 97.8. More specifically, unfavourable signals came both from assessments on order books and expectations on production; the related balances got worse from -16.3 to -18.9 and from 3.9 to 2.7, respectively. With regard to stocks, their level held virtually stable; indeed, the balance of the variable modified from 4.9 to 4.8.

The retail trade confidence index went down from 111.0 to 108.8. In particular, the worsening was due to decreasing assessments and expectations on the business trend—balances of both the variables regressed, passing from 24.2 to 23.5 the first and from 24.2 to 22.0 the second, while inventories grew further—the related balances moved from 7.5 to 11.3.

Source: fibre2fashion.com– Sep 01, 2023

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Bangladesh, Hong Kong sign tax agreement to boost economic ties

Under the Hong Kong-Bangladesh Comprehensive Avoidance of Double Taxation Agreement (CDTA) signed in Hong Kong recently, Hong Kong companies can enjoy double taxation relief. Any tax paid in Bangladesh, whether directly or by deduction, in accordance with the CDTA will be allowed as a credit against the tax payable in Hong Kong in respect of the same income.

This CDTA is the 47th agreement that Hong Kong has concluded, its government said in a release.

"Bangladesh is one of the economies participating in the Belt and Road Initiative. I have every confidence that this CDTA will further promote economic and trade ties between Hong Kong and Bangladesh, and offer additional incentives for the business sectors of both sides to do business or make investment," said Christopher Hui, secretary for financial services and the treasury of the Hong Kong Special Administrative Region government.

The agreement also provides the following tax relief arrangements.

Bangladesh's withholding tax rates for Hong Kong residents on dividends will be capped at 10 per cent or 15 per cent, depending on the percentage of their shareholdings; and on interest, royalties and fees for technical services will be capped at 10 per cent.

Hong Kong residents deriving profits from international shipping transport in Bangladesh will enjoy 50 per cent tax reduction in Bangladesh in respect of the profits subject to tax there.

The CDTA will come into force after the completion of ratification procedures by both jurisdictions.

Source: fibre2fashion.com– Sep 01, 2023

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Bangladesh RMG Sector Rides Out Storm

Despite facing challenges such as the Russia-Ukraine conflict, inflation, and cotton import decline, Bangladesh's readymade garments (RMG) sector has grown by 10% in the fiscal year 2022-2023. The growth rate was 5.64% in the first half of the year.

The sector has benefited from the high global demand for RMG and the low production costs in Bangladesh.

However, it also faces some risks, such as yarn shortage and gas crisis, that could affect its performance in the future.

Bangladesh's RMG sector is optimistic about its prospects. It aims to take advantage of the global apparel market and the government's support.

Bangladesh RMG Sector Defies Headwinds.

Source: fashionatingworld.com– Aug 31, 2023

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NATIONAL NEWS

Branding for Kasturi Cotton in Domestic & International Markets to commence soon

The Union Minister of Textiles, Commerce & Industry and Consumer Affairs and Food & Public Distribution, Shri Piyush Goyal presided over the seventh interactive meeting with the Textile Advisory Group (TAG) on Cotton, on 31st August, 2023, to review the progress of initiatives for cotton value chain in Coimbatore.

Smt. Darshana V. Jardosh, Minister of State for Textiles and Railways, Smt. Rachna Shah, Secretary Textiles, Shri Suresh Kotak, Chairman, TAG, Senior Officials from the Union Ministries of Textiles, Agriculture & Farmer's Welfare, Commerce, Finance, O/o Textile Commissioner, Textiles Committee, CCI, ICAR-CICR, CSIR-NBRI, APEDA, BIS, other senior officials from related Ministries and stakeholders were present. The whole of textile value chain was represented in the consultations through lead associations and experts in the meeting.

Shri Goyal mentioned that India is hosting the 81st Plenary Meeting of the International Cotton Advisory Committee (ICAC) and called attention of industry and trade members to make it a success. The 81st Plenary Meeting of ICAC will be hosted from 2nd to 5th December 2023 in Mumbai with the theme "Cotton Value Chain- Local Innovations for Global Prosperity" and is expected to be attended by almost 400 delegates including 300 foreign delegates from 26 member countries. Further, it is proposed to showcase products made from Kasturi Cotton and also showcase best sustainable practices.

Hon'ble Minister highlighted that the project for development of cotton markers inorder to promote DNA testing of cotton in the country will be initiated in collaboration with Council of Scientific and Industrial Research-National Botanical Research Institute (CSIR-NBRI). The project aims to develop genetic markers for precise discrimination of both inter-and intra-species cotton varieties and to establish protocol for extraction of DNA from the different stages of cotton textiles i.e., short and long staple fibre, yarn, gray fabric, unbleached fabric, bleached fabric, printed fabric, finished dyed fabric, etc. DNA testing facility would be a big step towards Atmanirbharta, since it will be first of its kind in the country.

Shri Goyal also assessed the progress of project on Traceability, Certification and Branding of Kasturi Cotton India and lauded that branding of premium Indian Cotton will add great value to the entire cotton value chain. TEXPROCIL, Implementing Partner for the project, has finalized the branding strategy for Kasturi Cotton. The Indian brand of cotton viz. Kasturi India cotton will be launched internationally and will help in placing the Indian cotton textile products on the global map.

Hon'ble Minister also noted the progress of the special project on cotton to enhance productivity and emphasized that increasing productivity of Indian cotton is the need of the hour, in order to provide a boost to the domestic industry. Operational area of about 9327 hectares has been covered under the project. He advised that the impact of the pilot project may be analyzed for scaling the project in the next cotton season.

Honourable Minister for State, Smt Darshana V Jardosh, appealed to all cotton value chain stakeholders to work together in a cohesive manner to regain supremacy in cotton to enhance value returns to farmers by adopting sustainable production methods and ensuring traceability in the value chain.

The industry and textile value chain stakeholders expressed their sincere gratitude for the prompt and pragmatic approach of the Minister to address their issues through consultative mode.

Source: pib.gov.in– Aug 31, 2023

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Centre extends date of inviting applications under PLI Scheme in Textiles

The Ministry of Textiles has decided to extend the date of inviting fresh applications under the PLI scheme of Textiles for MMF Apparel, MMF Fabrics and products of Technical Textiles for further 2 months i.e. upto 31 st October 2023.

The decision was taken in view of the requests from the Industry stakeholders'. Earlier, the Ministry decided to re-open the PLI Portal till 31st August 2023 for inviting fresh applications from interested companies under the Scheme.

Source: pib.gov.in– Aug 31, 2023

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Will review import levy on cotton after consulting Agriculture Ministry, says Piyush Goyal

A decision on removing the import duty on cotton will be taken after holding consultations with the Agriculture Ministry, said Piyush Goyal, Union Minister for Textiles, Commerce and Industry, Consumer Affairs, Food, and Public Distribution.

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When asked about the textile industry's demand for removal of the 11 % duty on cotton, the Minister told The Hindu, "We need to balance the interests of the farmers and the industry. We will take a call after consultation with the Agriculture Ministry."

On textile and apparel exports contracting for almost a year, he said export of products such as jewellery, diamonds, and textiles had reduced as economic slowdown in several countries had impacted the demand for such products.

Regarding extension of time for fresh applications for Production Linked Incentive (PLI) Scheme for MMF (man-made fibre) apparel, MMF fabrics and Technical Textiles till October end when the industry was asking for PLI Scheme 2.0, Mr. Goyal said the two schemes targeted different segments of the textile industry.

Source: thehindu.com– Aug 31, 2023

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Textile industry will revive, says Piyush Goyal

Indian textile industry will regain its lost glory in the future and Tamil Nadu will be in the forefront in the sector, said Union Minister for Textiles, Commerce and Industry, Consumer Affairs, Food and Public Distribution, Piyush Goyal, in Coimbatore on Thursday.

When asked about the challenges faced by the textile industry, the Minister told the media that the world was going through challenging times. The United States, Europe, all the developed nations were facing economic depression or recession. Even China had seen a fall in its economic activity. “In this situation, I am proud that our textile industry continues to hold firm, continues to do good work. I have no doubt in my mind that in the future also, we will regain the lost glory of India in textiles and Tamil Nadu will be in the forefront,” he said.

Unveiling the bust of first Finance Minister of independent India R.K. Shanmugham Chetty at the Southern India Mills’ Association, the Minister said that when the British came to India, they destroyed the textile industry in Coimbatore region for the growth of Manchester. “The Manchester of India, Coimbatore, will be able to give back with interest post FTA with the United Kingodm,” he said.

Tamil Nadu had one-third of India’s textile business, nearly 40 % share in yarn production, and some of the exquisite designer wears had its roots in Tamil Nadu. The quality standards of cotton were kept on hold now and all the stakeholders - farmers, ginners, spinners - should come together to develop an ecosystem where quality would define success. The Indian textile machinery industry should work to innovate and promote Make in India so that the country became self-sufficient in textile machinery production, he said.

Ravi Sam, chairman of Southern India Mills’ Association, sought measures to remove the import duty on cotton and said signing of Free Trade Agreement with the United Kingdom would double textile and apparel exports.

Source: thehindu.com– Aug 31, 2023

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Nomura raises India's economic growth forecast for FY24 to 5.9%

Nomura on Friday raised its economic growth forecast for India's fiscal 2024 to 5.9% from 5.5%, after data showed economy grew at its quickest pace in a year in the April-June quarter.

India's Gross domestic product (GDP) expanded a more-than-expected 7.8% on an annual basis in the June quarter, Thursday's data showed, accelerating from 6.1% growth recorded in the March quarter.

Nomura, however, lowered the country's fiscal 2025 GDP growth rate to 5.6% from 6.5% as its sees weak monsoons, higher food inflation, likely slowdown in government capital expenditure and sluggish global growth pressuring domestic demand.

Source: business-standard.com– Sep 01, 2023

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India, UK officials to start 13th round of FTA talks from September 4

Senior officials of India and the UK will start the 13th round of negotiations for the proposed free trade agreement from September 4, an official said on Thursday.

The two sides concluded the 12th round of negotiations on August 31.

Commerce and Industry Minister Piyush Goyal has recently stated that the negotiations between India and the UK for the proposed agreement are progressing and both countries are committed to concluding the talks as early as possible.

UK Business and Trade Secretary Kemi Badenoch was here recently to review the progress of talks. She also held bilateral meetings with Goyal and Finance Minister Nirmala Sitharaman.

Before the 12th round, the sides had concluded talks on 19 of the total 26 chapters in the FTA.
Investment is being negotiated as a separate agreement (bilateral investment treaty) between India and the UK.

The bilateral trade between countries increased to USD 20.36 billion in 2022-23 from USD 17.5 billion in 2021-22.

Source: business-standard.com– Aug 31, 2023

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Moody's raises India GDP growth forecast for 2023, slashes outlook for 2024

Rating agency Moody's on Friday raised India's gross domestic product (GDP) growth forecast for 2023 to 6.7 per cent from 5.5 per cent owing to Q1FY24's GDP growth of 7.8 per cent. Moody's further slashed India's GDP outlook for calendar year 2024 (CY24) to 6.1 per cent from 6.5 per cent as the Q1 GDP reading created a high base, the agency said in a statement

In its report, the agency attributed the Q1 print to strong services expansion and capital expenditures which propelled the real GDP growth.

"We have accordingly raised our 2023 calendar year growth forecast for India from 5.5% to 6.7%. Since the second quarter outperformance creates a high base in 2023, we have lowered our 2024 growth forecast from 6.5% to 6.1%. Given the robust underlying economic momentum, we also recognize further upside risk to India's economic growth performance," it said.

On the inflation front, the agency said that the food prices could remain higher due to a below average rainfall forecast in monsoon season which runs from June to October. In addition, the agricultural commodity prices could also shoot up in case El Niño proves to be particularly strong in the second half of 2023 and early 2024. The India Meteorological Department (IMD) has estimated a nine per cent rain deficiency across the country which may result in further increase in the prices.

In its August meeting, RBI's rate-setting panel, Monetary Policy Committee (MPC), left the repo rate unchanged at 6.5 per cent for a third time. Meanwhile, RBI governor Shaktikanta Das had predicted that the Indian economy is likely to grow at 6.5 per cent in the financial year 2023-24. However, the recent uptick in food price inflation and uncertain El Niño-related weather conditions might delay monetary policy easing consideration to early next year.

"Domestic demand in India remains buoyant, and as long as core inflation remains relatively stable, rate hikes are also unlikely," the report said.

Source: business-standard.com– Sep 01, 2023

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India's manufacturing PMI jumps to 58.6 in August, hits 3-month high

India's factory growth accelerated at the fastest pace in three months in August, driven by strong growth in new orders and output, according to a private survey that however also showed job creation was at a four-month low.

That is good news for Asia's third-largest economy, which grew 7.8% in April-June, slightly above a Reuters forecast of 7.7%, led by robust demand, and was expected to remain a bright spot in the global economy.

The Manufacturing Purchasing Managers' Index, compiled by S&P Global, jumped to 58.6 last month from 57.7 in July, the highest since May and confounding a Reuters poll expectation for a drop to 57.5.

This marked a sustained expansion, with 26 months above the 50-mark separating growth from contraction, the longest stretch since March 2020 when pandemic-induced lockdowns were imposed.

"The PMI results for India painted a vibrant picture of the nation's manufacturing landscape in August. Robust and accelerated increases in new orders and production suggest...strong contribution to second quarter (fiscal) economic growth," noted Pollyanna De Lima, economics associate director at S&P Global.

"Companies' strategic focus towards a global orientation were evident via a sharp and quicker expansion in international sales. Export-centric tactics should help ensure that production remains on an upward path in the coming months." New orders and output, indicators of demand strength, expanded at the fastest pace since January 2021 and October 2020, respectively. Export orders accelerated to the fastest rate in 10 months.

But that did not translate into faster employment generation. Job creation, while remaining positive for the fifth straight month, slowed to the lowest level since April.

Business confidence for the next 12 months slipped to a three-month low due to inflation concerns.

India's annual retail inflation rose to a 15-month high in July and was expected to stay above the Reserve Bank of India's target range of 2%-6% at least until October, a Reuters poll showed.

Input costs quickened at the fastest pace in a year in August. However, not all of these costs were passed on to clients, as output prices rose at their weakest rate in four months.

"The presence of stronger cost inflationary pressures serves as a reminder of the challenges inherent in managing growth ...

the need to maintain competitiveness helped restricted charge inflation," De Lima added.

Source: business-standard.com– Sep 01, 2023

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Asia's textile leaders convene at 11th ATEXCON event

Over 400 delegates from the global textile and apparel value chain are participating in the 11th Asian Textile Conference (ATEXCON) starting today. The theme of the 2-day event is '2025 & Beyond Asia's Global Hub for Textile Manufacturing & Consumers'. ATEXCON has brought together the leading players of the Asian textile industry, global input suppliers, and service providers to deliberate on key areas of business, including regional as well as global issues concerning this sector.

ATEXCON is the Confederation of Indian Textile Industry's (CITI) flagship event having participation from major associations and senior officials from the ministry of textile, organising committee, speakers, moderators, co-partners from the ITMF, CMAI, NITRA, BTRA, SITRA, ATIRA, UIBC, Sri Lanka Apparel, PDEXCIL, TEXPROCIL, FIEO and IICCI, Knowledge Partner Gherzi, Host Association SIMA, and MEDIA participation, CITI said in a press release.

Darshana Vikram Jardosh, minister of state for textiles, Government of India, was felicitated as a guest of honour at ATEXCON. During the inauguration of ATEXCON, she opined that the Indian textile industry is primarily concentrating on the supply chain, which is made up of the 5Fs—farm to fibre, fibre to factory, factory to fashion, and fashion to foreign. The textile industry has improved as a result of investments made in a number of departments, particularly the research and development division, which has enhanced the general performance of the fabrics used in the textile sector. The top three apparel exporters in 2023 are from Asia, demonstrating the region's significant contribution to the global textile market. The development of indigenous manufacturers has been greatly aided by the 'Make in India' push. To support the welfare of domestic manufacturers, the Indian government has implemented the PLI and PM MITRA schemes. She said that everyone has to come together to make an effective textile ecosystem and bring glory to the country.

"India plays a role in the Asian textile industry as well as the global textile industry as India is one of the few countries in the world which have the presence of the entire textile value chain i.e., from the production of raw materials to the delivery of finished products, with substantial value-addition at each stage of processing, unlike its peer competitors which are dependent on other countries for their raw material supply," said T Rajkumar, chairman of CITI.

Prajakta Verma, joint secretary, ministry of textile, said: "Convergence and cooperation enable significant progress. Convergence aids in correcting errors and responding to criticism. To address the issues and challenges, the textile sector needs both internal and external collaboration. The overall emissions produced by the aviation and maritime sectors are virtually comparable to those of the textile sector alone. The textile sector needs workers with green skills in order to adopt sustainability and circularity, minimise emissions, and solve this issue. Our greatest strength and the source of 90 per cent of our production are the micro, small, and medium enterprises (MSMEs).

"Sixty per cent of the world's cotton and 80 per cent of man-made fibres are produced in the Asia-specific region. Viscose is one of the fastest-growing fibres," opined Navdeep Sodhi, partner, Gherzi Textil Corporation, Switzerland.

Looking towards 2025 and beyond, climate change has become the pivot of policymaking, with sustainability and traceability emerging as the core values demanded by buyers and importers. In terms of policy imperatives, technology upgradation is leading the charge to boost productivity and efficiency. Cluster development plays a significant role in India, serving as the backbone of the industry. Public investments are now being redirected towards the anonymous companies that make up 90 per cent of India's total industries, with the remaining 10 per cent comprising registered and listed companies. Scale is another key area of focus, aimed at enhancing production capacity. Lastly, addressing policy distortion is crucial. Policies should aim to unlock the potential of Indian manufacturers and ensure unhindered access to raw materials.

Source: fibre2fashion.com– Aug 31, 2023

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