



IBTEX No. 157 of 2023

September 02, 2023

Currency Watch			
USD	EUR	GBP	JPY
82.72	89.32	104.12	0.57

INTERNATIONAL NEWS	
No	Topics
1	Xinjiang Cotton Still Making Its Way to the US
2	Health of Turkish manufacturing sector moderates in Aug: S&P Global
3	China's imports of Indian cotton yarn surges in Jul
4	China's manufacturing sector shows signs of fresh improvement in Aug
5	Germany announces tax cuts to revive economic growth
6	European sustainable fashion framework has work cut out for Asian garment manufacturers
7	China-Nicaragua FTA to make 60% goods in bilateral trade tariff-free
8	Pakistan: Cotton market: Spot rate gains further Rs300 per maund

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

NATIONAL NEWS	
No	Topics
1	Joint outcome statement: UK-India round twelve of FTA negotiations
2	India and UK gear up for 13th round of FTA negotiations
3	Govt to tap districts for enhancing exports: DGFT
4	Right policies, approach to help India achieve \$2-trillion exports by 2030: CII EXIM panel chairman
5	RBI Central Board reviews global, domestic economic situation
6	Women of the country can take forward and implement PM's 5F vision of textiles sector in a better manner: Piyush Goyal at Asiatex-2023
7	Project to be launched for development of cotton markers, says Minister in Coimbatore
8	Commerce ministry to organise workshops on promoting exports through e-commerce
9	GST collections hit 3-month low at ₹1.59 lakh crore in August, but still 11% higher than last year
10	India: ICAC's 81st Plenary Meeting in Mumbai



INTERNATIONAL NEWS

Xinjiang Cotton Still Making Its Way to the US

Twenty-seven percent.

That's the proportion of tests conducted on clothing collected by U.S. Customs and Border Protection (CBP) in May that showed traces of forced labor-linked cotton from China's Xinjiang Uyghur Autonomous Region.

The results, which Reuters published Friday after obtaining them through the Freedom of Information Act, underscore the difficulties in keeping out the material as required by the nearly two-year-old Uyghur Forced Labor Protection Act, or UFLPA.

The tests were performed using a forensic standby called isotopic analysis, which can trace cotton to its point of origin by matching the sample's concentration of stable elements—think carbon, oxygen, nitrogen and hydrogen—with those of the purported environment.

While isotopic testing isn't a routine process for the agency, officials at individual ports can request tests if they receive allegations about particular shipments or suspect that the goods can be traced to Xinjiang, Eric Choy, CBP's executive director for trade remedy and law enforcement told the outlet in June.

This appears to be the case with the 37 garments that CBP examined in May, 10 of which returned as "consistent" with Xinjiang. Documents also note that it's at least the third batch that officials have amassed as part of their enforcement efforts, with others obtained in December 2022 and this past April. Overall, 13 of 86 total tests, amounting to 15 percent, showed the same consistency with Xinjiang.

Reuters said that CBP had redacted most of the identifying information, such as the brands of the items that were tested. Their descriptions indicated a full range of cotton and cotton-containing apparel, including jeans, T-shirts, dresses, boxers and baby onesies.

"It is in my view long overdue that the CBP uses this scientific method to provide independent determination of origin," said Adrian Zenz, a senior fellow in China studies at the Victims of Communism Memorial

Foundation and one of the leading authorities on the Chinese Communist Party's crackdown on Uyghurs and other Muslim minorities, which many, including the United States, have dubbed genocide.

"I am not surprised how many products from Xinjiang are still entering the U.S., given the complexity of the supply chains and Beijing's obfuscation strategies," Zenz added. "This shows that much more needs to be done to effectively enforce the UFLPA."

The odds of contamination, even if companies assiduously avoid Xinjiang are high. The region contributes 90 percent of China's cotton, which in turn makes up one-fifth of the world's total. Products grown and manufactured in Xinjiang can also be transported—or "laundered," as Laura Murphy, a professor of human rights at Sheffield Hallam University, put it—through third countries such as Bangladesh, India and Vietnam, further muddying their provenance.

"Given the high rate of positive tests, it seems that companies are continuing to attempt to circumvent the UFLPA and are still not doing the due diligence necessary to make sure they're not selling goods made with forced labor," Murphy said.

Since last June, when the UFLPA went into effect, CBP has detained 877 garment, footwear and textile shipments worth \$36 million. Of these, 380 were ultimately denied entry, most of them from China and Vietnam.

CBP doesn't perform its own testing but has paid supply chain tracing firm Oritain \$1.3 million since 2020 for its analysis, according to records obtained by Reuters, again through a Freedom of Information Act request. But the agency redacted the name of the vendor that tested the batches it collected in December, April and May and did not confirm whether it was Oritain that did so.

That such a process exists, however, is reassuring to Jewher Ilham, forced labor coordinator at the Worker Rights Consortium, a Washington, D.C.-based think tank.

"I am glad that such isotopic tests are available for governments and companies to use for testing if a product on the rack contains cotton or other elements from the Uyghur region as this may mean there is a high risk the product is tainted by Uyghur forced labor," said Ilham, the daughter of jailed Uyghur academic Ilham Tohti. "These test results

highlight the importance of CBP enforcing high evidentiary standards for importers during the admissibility review process of UFLPA implementation.”

Oritain, which is headquartered in New Zealand, has become a leading name in cotton forensics, particularly where UFLPA compliance is concerned. Nine Line Apparel, a T-shirt screen printer from Georgia, regularly uses Oritain to verify the origins of the blanks it purchases. Next Level Apparel, the wholesaler that failed one of these tests earlier this year, has also taken up with the firm on a long-term basis.

Same with Shein, which has faced mounting congressional scrutiny after a Bloomberg investigation uncovered traces of Xinjiang cotton in products purchased on separate occasions. The Chinese e-tail Goliath told Politico in June that thousands of tests that Oritain performed found that nearly 98 percent of its cotton did not come from Xinjiang. It also confirmed that it no longer sources cotton from China.

On Thursday, one year after the United Nations human rights office published a damning report about the litany of abuses occurring in Xinjiang, the agency said that it is still pushing for change.

“The situation in Xinjiang remains of concern,” the agency said in a statement. “Laws and policies assessed in our report are still in place. We continue to stand by that, publicly and bilaterally.”

Babur Ilchi, program manager at the Uyghur Human Rights Project, an advocacy group in Washington, D.C., said that Reuter’s findings confirm what Uyghur organizations and researchers have been saying: that there must be greater due diligence to ensure that no Uyghur forced labor goods are entering any market.

“It highlights a clear need for stronger enforcement and for Canada, the U.K. and the EU to avoid becoming a hot market for dumped Uyghur forced labor goods,” he said. “These goods are directly fuelling a genocide and should be locked out of consumer markets.”

Source: sourcingjournal.com– Sep 01, 2023

[HOME](#)

Health of Turkish manufacturing sector moderates in Aug: S&P Global

The Turkish manufacturing sector witnessed a general moderation of business conditions in August this year as firms faced challenges in securing new business, according to S&P Global.

Output and purchasing activity were scaled back, although employment continued to rise marginally. Inflationary pressures remained elevated, slowing only slightly from the recent peaks recorded in July.

The headline Istanbul Chamber of Industry Turkiye manufacturing purchasing managers' index (PMI) posted 49 in August from 49.9 in July, below the 50 no-change mark for the second month running, and thereby, signalling a further slowdown in the Turkish manufacturing sector. The rate of moderation implied by the index was only slight.

A key factor deterring customers from committing to new orders was strong price pressures. Input costs increased sharply, and at a pace that was only slightly softer than the 16-month high posted in July.

Weakness of the Turkish lira against the US dollar and rising wages were the main factors leading to higher input costs, S&P Global said in a press release.

The rate of output price inflation also remained elevated as around 30 per cent of respondents increased their charges over the month.

The aforementioned slowdown in new orders led manufacturers to scale back their production in August, the second consecutive month in which that has been the case. Although only slight, the latest moderation was more pronounced than that seen in July.

Purchasing activity eased, while softer new order inflows also led firms to deplete their inventories of both purchases and finished goods.

Employment increased for the fourth successive month as some firms continued to report the need for additional workers.

"The main positive element in the latest report was that firms continued to hire additional staff, although the rate of job creation was only fractional so it remains to be seen if this growth will continue should demand conditions remain subdued," Andrew Harker, economics director at S&P Global Market Intelligence, said.

Source: fibre2fashion.com– Sep 02, 2023

[HOME](#)

China's imports of Indian cotton yarn surges in Jul

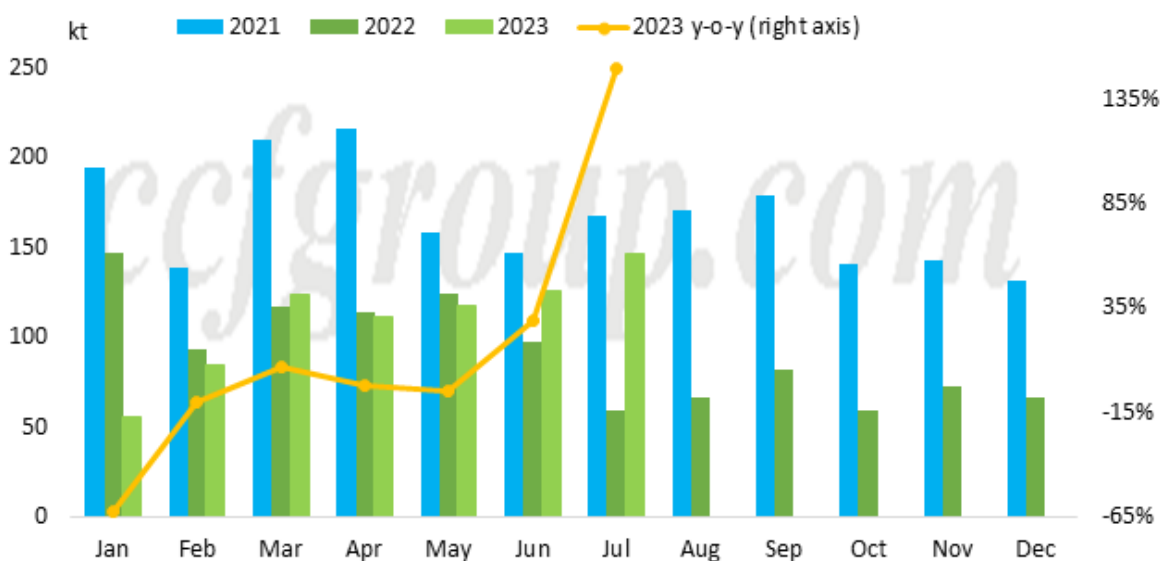
I China's cotton yarn imports totaled 146.3kt in Jul

According to China customs, China imported a total of 146,300 tons of cotton yarn in July 2023, an increase of nearly 21,000 tons compared to June, indicating a steady rise in domestic cotton yarn imports and meeting market expectations for increased imports in recent months.

The total import volume of cotton yarn from January to July 2023 is approximately 764,100 tons, surpassing the cumulative import volume of 751,000 tons from January to July 2022.

Based on recent cotton yarn import procurement and establishment of L/C, it is speculated that the subsequent arrival of cotton yarn is likely to continue at relatively high levels. The exchange rate will become an important indicator for the market.

Arrival of China's cotton yarn imports



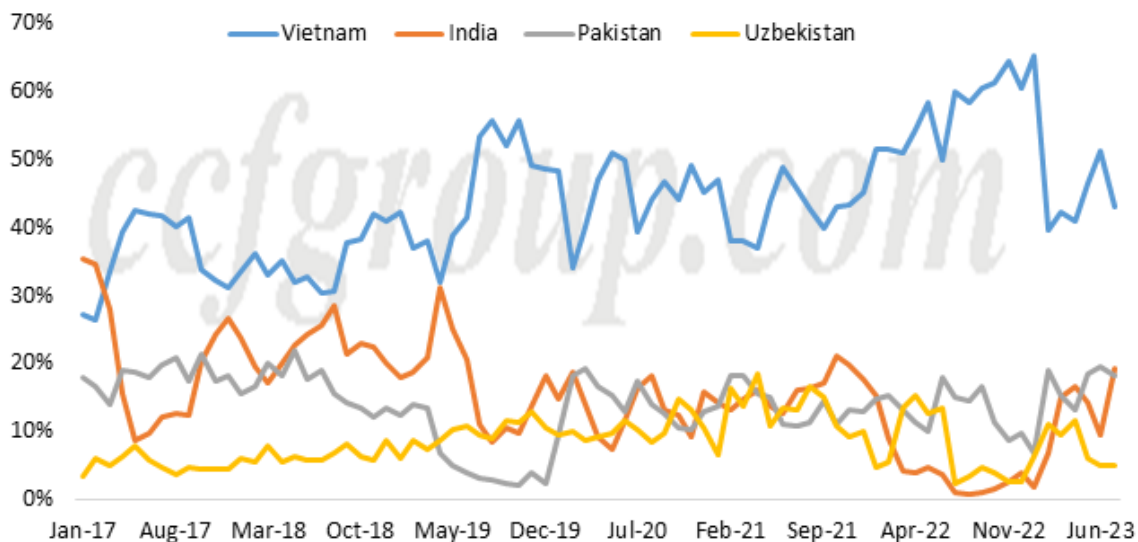
II China's cotton yarn imports by origin

From the specific import details of July, the main reason for the surge in cotton yarn imports in July was due to the Indian yarn, which increased by 16,100 tons compared to the previous month.

The imports of Vietnamese yarn experienced a slight decline due to continued strong overseas prices and limited profit. Similarly, Pakistani cotton yarn imports have steadily increased as they have the cost advantage due to the faster arrival of new cotton and expectations of a bumper crop. Since 2017, the pattern of cotton yarn imports has been continuously changing. The import proportion of Vietnamese yarn has become increasingly prominent, and its market share has gradually increased from an initial 30% to 60%, while the import of Indian yarn decreased after Indian cotton became the most expensive globally last year.

China's cotton yarn import by origin in Jul 2023			
	Imports	y-o-y %	m-o-m %
Total	146.3	8.76	2.09
Vietnam	63.1	2.79	-0.11
India	28	2.74	1.61
Pakistan	26.5	1.77	0.2
Malaysia	7.3	0.34	0.15
Uzbekistan	7	0.57	0.08
Bangladesh	4.8	0.09	0.02
Indonesia	3.9	0.33	0.2
Taiwan, China	2.9	-0.06	-0.04

Changes in the proportion of China's cotton yarn import by origin



The recent surge in Indian cotton yarn imports can be attributed to several factors. Firstly, in mid-to-late June, local cotton prices in India dropped to a low of 55,000-56,000 rupee/candy, which led to continuous downward adjustments in prices by Indian yarn mills.

Secondly, the onshore Chinese yuan has rebounded to 7.10 against the US dollar, and with the gradual slowdown in the US Federal Reserve's interest rate hikes, the market is generally optimistic about the future exchange rate trend. The relatively profitable margin of around 800-1,000yuan/mt for Indian yarn has attracted domestic traders to stock up. Lastly, Vietnamese yarn mills keep their price firm and lack favorable ordering windows, thus some traders turned to purchase Indian yarns.

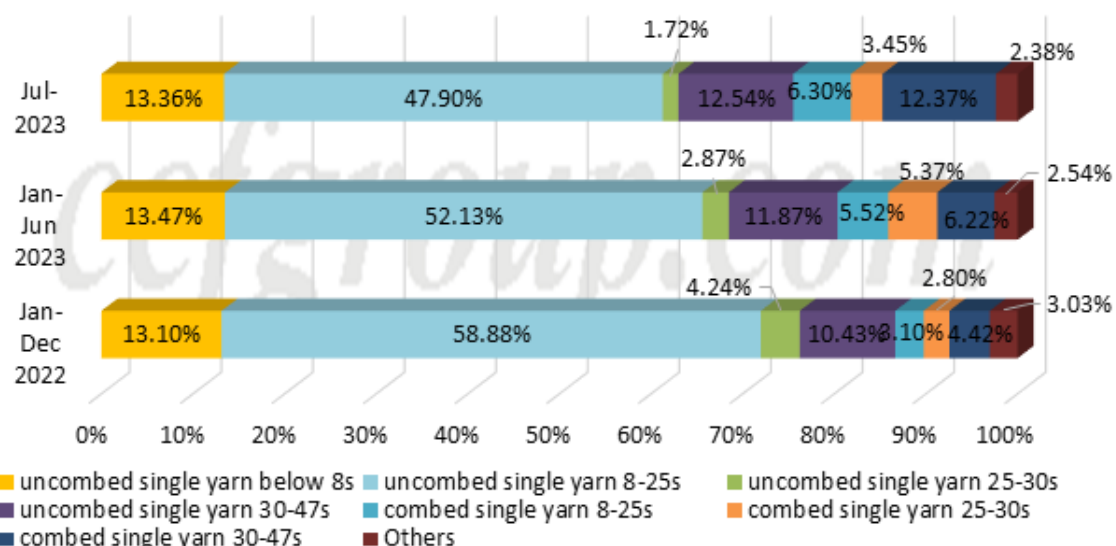
III Imported cotton yarn by variety

In July, the total import volume of carded yarn below 8s reached 19,500 tons. The import volume of carded yarn 8-25s accounted for the majority, with approximately 70,000 tons.

The total import volume of carded yarn 30-47s amounted to 18,300 tons, while the import volume of carded yarn 25-47s continued to rise, reaching 23,100 tons.

There has been a noticeable increase in the quantity of both Indian combed cotton yarn and Indian carded cotton yarn. Among them, the import volume of combed yarn 25-47s surpassed 10,000 tons, surpassing Vietnamese combed yarn and ranking first in the import of combed yarn 25-47s. The import volume of Indian carded yarn 8-25s also reached a level exceeding 10,000 tons.

China's cotton yarn import by variety



IV China's CVC yarn imports totaled 13kt in Jul

In July, the import volume of CVC yarn was around 13,000 tons, showing a slight increase compared to June. The increase in the import volume of blended yarns, including CVC, is somewhat related to the downgrading of export orders with traceability requirement. Under the compressed cost of downstream order-taking, there has been an increased demand for T/C and CVC yarns, but the order quantity should be relatively cautiously controlled.

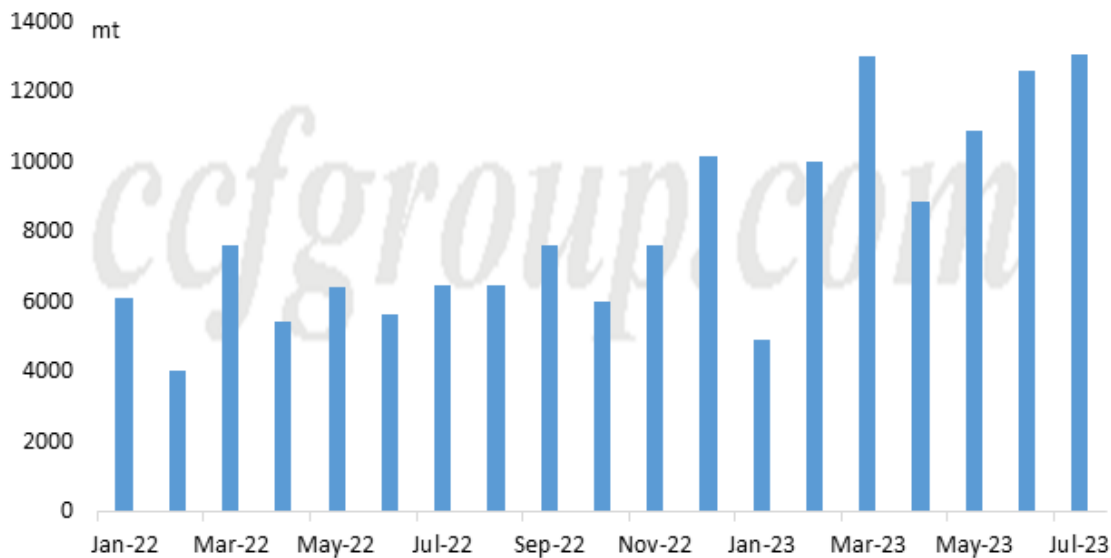
Region	Amount of carded yarn below 8s (kg)	Share	Region	Amount of carded yarn 8-25s (kg)	Share
Vietnam	9326105	47.74%	Vietnam	26372737	37.65%
Pakistan	8248905	42.22%	Pakistan	17957187	25.63%
Malaysia	584232	2.99%	India	10537531	15.04%
China Taiwan	488981	2.50%	Bangladesh	4839065	6.91%
Thailand	305632	1.56%	Malaysia	3933523	5.62%
India	296788	1.52%	China Taiwan	2397662	3.42%
Indonesia	210134	1.08%	Uzbekistan	1650153	2.36%
Cambodia	73500	0.38%	Indonesia	1264159	1.80%

Region	Amount of carded yarn 30-47s(kg)	Share	Region	Amount of carded yarn 25-47s(kg)	Share
Vietnam	10219332	55.74%	India	10382663	44.88%
Uzbekistan	4683739	25.55%	Vietnam	9811801	42.42%
India	1719127	9.38%	Indonesia	1319839	5.71%
Malaysia	1014000	5.53%	Malaysia	583450	2.52%
Indonesia	697484	3.80%	South Korea	380071	1.64%

In summary, the significant increase in cotton yarn imports in July has completely surpassed the volume of imports during the same period last year.

Vietnamese yarn, Indian yarn, and Pakistani yarn imports have all shown strong recovery. Indian yarn imports increased by 16,100 tons in July compared to June, thanks to a temporary decline in domestic cotton prices. With the gradual implementation of previous orders, it is highly likely that cotton yarn imports will remain at high levels in August.

China's blended yarn imports(HS code:5206)



The influx of spot cotton yarn has put selling pressure on the market, and this is one of the main reasons why imported yarn prices have been difficult to track the upward trend of domestic yarn. As imported yarn price gradually becoming lower, the change in consumption habits in textile mills still needs to be pushed slowly.

Most transactions are made with minimal profits, the advantages in woven yarns and siro-spun yarns are gradually emerging, and it is expected that imported yarn will once again expand its market share in the China domestic market in the future.

Source: ccfgroup.com– Sep 01, 2023

[HOME](#)

China's manufacturing sector shows signs of fresh improvement in Aug

China's manufacturing sector showed signs of fresh improvement in August as its purchasing managers' index (PMI) came in at 49.7, up from 49.3 in July, according to the National Bureau of Statistics (NBS). The key indicator went up for a third straight month.

The headline, seasonally-adjusted Caixin China general manufacturing PMI—a composite indicator compiled by S&P Global and designed to provide a single-figure snapshot of operating conditions in the manufacturing economy—rose from 49.2 in July to above the neutral 50 threshold at 51 in August.

The non-manufacturing sector sustained its vibrancy, indicating strengthening economic momentum, a state-controlled news agency reported.

Among the 21 surveyed industries, 12 reported expansion in August, up from 10 a month earlier. There was an overall improvement in the manufacturing climate, NBS statistician Zhao Qinghe said.

The sub-index for production and new orders in the manufacturing sector stood at 51.9 and 50.2, respectively, up by 1.7 and 0.7 percentage points from July figures.

Insufficient market demand is still the major problem faced by enterprises in the manufacturing sector, said Zhao.

Supporting the improvement in overall business conditions was a renewed increase in new order intakes, S&P Global said in a release. Companies indicated that firmer underlying market conditions had helped to boost client spending.

The modest upturn in overall sales occurred despite a further drop in new business from abroad in August, suggesting that stronger domestic demand was the main source of growth.

The downturn in new export orders did ease compared to July, however, and was only mild. Companies responded to greater amounts of new work by expanding production during August. Though modest, the rate of

output growth was among the best seen over the past year, the press release noted.

Planned company expansions meanwhile supported a fresh rise in employment across China's manufacturing sector in August, noted S&P Global. Though modest, the rate of job creation was the most pronounced since March 2010.

Supplier performance improved slightly in August, following a deterioration in July. Quicker lead times were generally linked to increased material availability and greater supplier capacity.

Expectations regarding the 12-month outlook for output remained positive in August. Manufacturers often hoped that stronger global economic conditions and new product launches would support higher output over the coming months, S&P Global added.

Source: fibre2fashion.com– Sep 02, 2023

[HOME](#)

Germany announces tax cuts to revive economic growth

The German government recently announced tax cuts amounting to about €7 billion (\$7.62 billion) per year aimed at reviving economic growth. The Growth Opportunities Law would ease the burden on small and medium enterprises (SMEs), the government said.

The plan foresees a four-year corporate tax cut totalling €32 billion. The tax cuts include a premium for energy-saving investments, and regulatory changes to make it easier for companies to write off losses.

"We have a situation where growth is not as strong as we would like, so, with these measures, we want to... encourage companies to invest now," Chancellor Olaf Scholz told a press conference recently. Economy minister Robert Habeck and finance minister Christian Lindner were present.

Scholz belongs to the centre-left Social Democratic Party of Germany (SPD), Habeck to Green Party and Lindner to business-friendly Free Democratic Party (FDP). The current ruling coalition was formed in late 2021.

All three parties in the ruling coalition are under increased pressure due to German economy stagnating amid prolonged geopolitical tensions.

The leaders also agreed to cut down on bureaucracy and improve digitalisation. Habeck praised the anti-bureaucracy initiative as a push towards a 'modern state'.

Germany witnessed flat growth in the second quarter this year, having fallen into recession at the turn of the year. Germany has badly affected following Russia's invasion of Ukraine that saw German energy prices surge.

Source: fibre2fashion.com– Sep 02, 2023

[HOME](#)

European sustainable fashion framework has work cut out for Asian garment manufacturers

Asian readymade garment manufacturers have a solid reason to be stressed as the EU Strategy for Sustainable and Circular Textiles is being put forward with renewed vigor and commitment.

The strategy in itself is renewing standards in the production and consumption of textiles as well as protecting the rights of vulnerable workers in Asia and other developing continents, home to significant number of RMG factories specifically for exports. The strategy is crucial for Asian manufacturers as 70 per cent of textile exports are to the EU.

Need for complete compliance

Asian garment manufacturers may have a little breathing time as the new EU framework for textiles has crafted a master plan that serves as a guide book and is non-binding for the moment. First proposed in May 2022, the framework came into effect in June 2023.

According to EU Member of Parliament, Pernille Weiss, the framework addresses production and consumption of textiles, while recognizing the importance of the textiles sector. It implements the commitments of the European Green Deal, the Circular Economy Action Plan and the European industrial strategy.

The new framework envisages, 2030 is the end goal for all vendors supplying to the EU are fully compliant of the framework's set standards to be able to sell their products to the EU.

Textiles, garments, mattresses, car upholstery and home furnishing, etc, coming in to the EU, irrespective of origin have to meet the EU standards at each step of manufacturing process.

From wastage of all resources in production process to labour rights throughout the entire stream, the keyword to be allowed to do business is compliance. The framework also disqualifies entities that will destroy unsold or returned inventory.

Non-binding only up to 2030

Meanwhile, as a voice of Europe's retail entity, H&M, considered Europe's largest fashion retailers has proven its commitment to sustainable and circular fashion by welcoming the new framework. H&M is in agreement with the EU's policy makers that it is time to change how fashion is produced and consumed. H&M standing in full support in itself is a bell that should ring out loud and clear across Asia.

According MEP Weiss, the strategy might remain non-binding for now, but the law-making processes will gather much more momentum after the EU Parliament elections in the summer of 2024. It is expected that steps taken will undergo a reset and current directives updated whilst regulations are refined so all work in unison to meet the objectives set by the framework. Additional laws pertaining to sustainability, circularity and human rights are expected to be added to the framework.

Asia gearing up to meet expectations

As 2030 is just seven years away, Asian manufacturers have been busy innovating and using technology to put into action all compliance points. H&M has knee-deep sourcing from Asia and feels the critical need for collaboration between brands buying from Asian manufacturers and the manufacturers themselves. As Naren Goenka, Chairman, India's Apparel Export Promotion Council points out, if Asian manufacturers want to continue being the single largest group supplying to the EU they should realize that all, action plans for compliance starts here and now.

India has been making large strides like growing organic cotton, moving away from synthetic chemicals and pesticides in cotton farms and around 15,000 organic cotton farmers in Maharashtra have bought into this. Similarly, Sri Lanka, Singapore and Bangladesh are positive as manufacturers there have thrown themselves into bringing about change in their production process. From 50 per cent less water consumption to producing textiles that don't shed micro-fibers, all stops are being pulled out across Asia.

Source: fashionatingworld.com– Sep 01, 2023

[HOME](#)

China-Nicaragua FTA to make 60% goods in bilateral trade tariff-free

Nicaragua and China recently signed a free trade agreement (FTA) after year-long negotiations. The deal is the 21st of its kind for China.

The FTA was signed virtually by Chinese commerce minister Wang Wentao and Laureano Ortega, advisor on investment, trade and international cooperation at the Nicaraguan president's office.

Nicaragua has now become China's 28th global free trade partner and fifth in Latin America.

The FTA will facilitate high-level mutual opening up in areas like goods and services trade and investment access, according to a statement issued by the China's commerce ministry.

When the FTA takes effect, about three-fifths of goods in the bilateral trade will be exempted from tariffs, and the tariffs on over 95 per cent of goods will be gradually reduced to zero, an official Chinese news outlet reported.

It features provisions for the stay of business people's parents, comprises aspects of the digital economy and stipulates cooperation in measurement standards in the technical trade barriers chapter.

Both the countries will now carry out their respective domestic procedures for the early implementation of the FTA.

Source: fibre2fashion.com – Sep 01, 2023

[HOME](#)

Pakistan: Cotton market: Spot rate gains further Rs300 per maund

The Spot Rate Committee of the Karachi Cotton Association (KCA) on Thursday increased the spot rate by Rs 300 per maund and closed it at Rs 20,100 per maund.

The local cotton market remained bullish and the trading volume remained satisfactory.

Cotton Analyst Naseem Usman told Business Recorder that the rate of new crop of cotton in Sindh is Rs 20,200 to Rs 20,800 per maund.

The rate of Phutti in Sindh is in between Rs 8,800 to Rs 10,200 per 40 kg. The rate of cotton in Punjab Rs 21,000 to Rs 21,200 per maund and the rates of Phutti are in between Rs 9,000 to Rs 10,500 per 40 kg. The rate of cotton in Balochistan is Rs 20,500 per maund while the rate of Phutti is in between Rs 9,700 to Rs 10,500 per 40 kg.

Around, 600 bales of Sui Gas is sold in between Rs 19,800 to Rs 20,000 per maund, 200 bales of Sultanabad, 1800 bales of Rohri is sold at Rs 20,000 per maund, 2400 bales of Tando Adam is sold in between Rs 19,750 to Rs 20,000 per maund, 3400 bales of Shahdad Pur is sold at 19,800 to Rs 20,000 per maund, 2400 bales of Sanghar is sold at Rs 19,700 to Rs 20,000 per maund, 600 bales of Hala, 200 bales of Sarkand, 400 bales of Hyderabad, 600 bales of Nawab Shah, 800 bales of Khair Pur were sold at Rs 20,000 per maund, 800 bales of Saleh Pat were sold at Rs 20,000 to Rs 20,100 per maund, 600 bales of Fort Abbas were sold at Rs 20,600 per maund, 600 bales of Multan were sold at Rs 20,000 to Rs 20,300 per maund, 1800 bales of Faqeer Wali were sold in between Rs 20,200 to Rs 20,400 per maund, 400 bales of Fort Abbas were sold at Rs 20,500 per maund, 200 bales of Hasil Pur were sold at Rs 20,500 per maund, 3200 bales of Haroonabad were sold at Rs 20,200 to Rs 20,500 per maund, 2400 bales of Chishtian, 1600 bales of Khanewal were sold at Rs 20,500 per maund, 1200 bales of Rahim Yar Khan were sold at Rs 20,300 to Rs 20,500 per maund, 800 bales of Mian Channu were sold at Rs 20,400 to Rs 20,500 per maund, 600 bales of Bahawalpur were sold at Rs 20,400 to Rs 20,500 per maund, 600 bales of Ahmed Pur East were sold at Rs 20,500 per maund, 400 bales of Tunsa Shareef, 1000 bales of Burewala were sold at Rs 20,000 per maund, 1800 bales of Vehari were sold at Rs 20,000 to Rs 20,500 per maund, 800 bales of Ali Pur were sold

at Rs 20,000 per maund, 2400 bales of Layyah were sold at Rs 20,000 to Rs 20,500 per maund, 800 bales of Yazman Mandi were sold at Rs 20,350 to Rs 20,400 per maund, 400 bales of Khair Pur Tamiwali were sold at Rs 20,200 to Rs 20,400 per maund, 3200 bales of Lodhran were sold at Rs 20,200 to Rs 20,500 per maund and 1200 bales of Chichawatni were sold at Rs 20,200 to Rs 20,500 per maund.

The Spot Rate Committee of the Karachi Cotton Association increased the spot rate by Rs 300 per maund and closed it at Rs 20,100 per maund. The rate of Polyester Fibre was increased by Rs 3 per kg and was available at Rs 373 per kg.

Source: breccorder.com– Sep 01, 2023

[HOME](#)

NATIONAL NEWS

Joint outcome statement: UK-India round twelve of FTA negotiations

The twelfth round of negotiations for the UK-India Free Trade Agreement (FTA) took place from the 8-31 August, 2023. As with previous rounds, this was conducted in a hybrid fashion - a number of UK officials travelled to Delhi for negotiations and others attended virtually.

On 24-25 August, 2023 India hosted the G20 Trade and Investment Ministerial Meeting in Jaipur. The Rt Hon Kemi Badenoch MP, the Secretary of State for Business and Trade visited India for the meeting and met with the Honourable Minister for Commerce and Industry, Government of India, Piyush Goyal. They took stock of the FTA and agreed ways to progress the negotiations.

The thirteenth round of negotiations is due to take place in September.

Source: pib.gov.in– Sep 01, 2023

[HOME](#)

India and UK gear up for 13th round of FTA negotiations

India and the United Kingdom are speeding up their efforts to finalize a Free Trade Agreement (FTA) by the end of the year, with the 13th round of negotiations scheduled for later this month. The recent conclusion of the 12th round of discussions on August 31, 2023, signals the determination of both nations to make progress in this important economic partnership.

These negotiations, according to an official statement issued by the Ministry of Commerce conducted in a hybrid format from August 8-31, saw UK officials traveling to Delhi for in-person negotiations, while others participated virtually. This approach reflects the flexibility required to navigate the challenges posed by the ongoing global health situation.

The decision to move forward with the 13th round of negotiations is particularly timely, as it precedes the visit of the British Prime Minister, Rishi Sunak, to India for the upcoming G20 Summit in New Delhi. Although the detailed agenda for the G20 and bilateral meetings has not yet been officially announced, it is widely anticipated that Prime Minister Narendra Modi and Prime Minister Rishi Sunak will engage in bilateral talks. Among the topics likely to be on the agenda are the ongoing FTA negotiations and the deepening of military relations between the two nations.

Notably, the discussions on the FTA have gained momentum in recent weeks. India hosted the G20 Trade and Investment Ministerial Meeting in Jaipur on August 24-25, 2023. During this event, Kemi Badenoch MP, the Secretary of State for Business and Trade from the UK, visited India and met with Piyush Goyal, the Minister for Commerce and Industry in the Indian government. Their discussions revolved around the FTA, and both sides explored avenues to advance the negotiations.

The FTA negotiations are seen as a crucial step in bolstering economic ties between India and the UK. If successfully concluded, the agreement has the potential to enhance trade, boost investments, and create opportunities for both nations. It is an indication of the commitment of India and the UK to forge a stronger economic partnership that can benefit their citizens and contribute to global trade stability.

As the 13th round of negotiations approaches, both countries will be keen to build on the progress made thus far and work toward a comprehensive FTA that reflects the shared interests and ambitions of India and the UK in the realm of international trade.

Source: financialexpress.com– Sep 01, 2023

[HOME](#)

Govt to tap districts for enhancing exports: DGFT

Director General of Foreign Trade (DGFT) Santosh Sarangi on Friday said that the government will go to the districts to enhance exports. Seventy districts in the country account for 80 per cent of the country's exports total exports, he told reporters at the Indian Chamber of Commerce here.

In West Bengal, two districts - Darjeeling and Howrah have been identified for the purpose so far. Darjeeling for tea and Howrah for jewellery and engineering goods. Export plans for them have also been adopted, Sarangi added.

"Districts have a huge potential for increasing exports. Only 70 districts account for 80 per cent of the total exports of the country," he said.

DGFT, which is under the commerce ministry, formulates the country's trade policy and also implements it.

Sarangi said India has a huge potential for export of electronic items, white goods and processed foods and with the kind of growth rates which the country is clocking for the last 15 years, it can aspire to become a middle-income economy "very soon".

India's exports to GDP ratio is at 22 per cent now, which is lower than countries like Germany and Taiwan.

The series of FTAs which India has signed or is in the process of signing will give greater access to export markets for Indian goods, he added.

Source: economictimes.com – Sep 01, 2023

[HOME](#)

Right policies, approach to help India achieve \$2-trillion exports by 2030: CII EXIM panel chairman

Right policies and a proactive approach by the government will help India achieve USD 2-trillion exports target of goods and services by 2030, Chairman, CII national committee on EXIM, Sanjay Budhia, said here on Friday. He said the global economy is still going through turmoil due to geopolitical tensions and the trade environment remains challenging.

"With the right policies, coupled with fearless and proactive approach and implementation, India can stay on positive growth trajectory to achieve the ambitious export target of USD 2 trillion by 2030," he said at a workshop on export control on dual-use items.

He added that despite a turbulent global economy and headwinds, several path-breaking policy initiatives were implemented and put in action by the government and the country.

Budhia, the Managing Director of Patton Group, said the new Foreign Trade Policy 2023 could be a game changer to put India at a leadership position on the global exports map.

"The policy has focused on re-engineering and automation with more focus on usage of high end technology, facilitating e-commerce export and effective collaboration with states and districts for export growth," he said.

Export of dual-use commodities, software, and technology contributes significantly to India's growth and development, Budhia added.

Source: economictimes.com – Sep 01, 2023

[HOME](#)

RBI Central Board reviews global, domestic economic situation

The Central Board of Directors of the Reserve Bank of India on Friday reviewed the global and domestic economic situation and associated challenges, including the impact of current global geopolitical developments.

The 603rd meeting of the Board, chaired by Governor Shaktikanta Das, was held in Indore.

The Board also discussed various areas of operations of the Reserve Bank of India including the functioning of Local Boards and activities of select central office departments, the RBI said in a statement.

Directors of the Central Board - S Gurumurthy, Revathy Iyer, Sachin Chaturvedi, Anand Gopal Mahindra, Pankaj Ramanbhai Patel and Ravindra H Dholakia attended the meeting.

Ajay Seth, Secretary, Department of Economic Affairs and Vivek Joshi, Secretary, Department of Financial Services also attended the meeting besides RBI deputy governors Michael Debabrata Patra, M Rajeshwar Rao, T Rabi Sankar and Swaminathan J.

Source: economictimes.com – Sep 01, 2023

[HOME](#)

Women of the country can take forward and implement PM's 5F vision of textiles sector in a better manner: Piyush Goyal at Asiatex-2023

Union Minister of Textiles, Commerce & Industry, and Consumer Affairs & Food & Public Distribution Piyush Goyal urged textiles industries stakeholders to provide more opportunity to women and work towards connecting the younger generation with the industry.

Women of the country can take forward PM's '5F' vision and implement it in a better way, he stated in Mumbai today. The '5F' Formula encompasses - Farm to fibre; fibre to factory; factory to fashion; fashion to foreign. This integrated vision will help furthering the growth of textile sector in the economy. The Union Minister was the Chief Guest at Asiatex-2023, a three-day premier B2B Textile Trade Fair, organized by Hindustan Chamber of Commerce at BKC, Mumbai.

Speaking on the occasion, Union Minister Piyush Goyal informed that a big-scale, world-class textile exhibition will be launched at New Delhi in February next year, where national and international textiles industries will participate. Urging that it is important to increase trade connections, he urged all industry stakeholders to participate in it.

He said that India occupies second position in textiles manufacturing and has much more potential. In quality and costing we are ready to compete with any company internationally, he added. The Minister further said that world is recognizing the progress of India and every part of the world wants to collaborate with India.

“After agriculture, our strength is the textile sector”, also said the Minister. He urged that we must work towards being at par with international standards in the industry. He expressed confidence that Indian textile industry can easily achieve the target of 100 billion dollar exports.

Union Textiles Minister said, Central Government is affirmative to invest in technical textiles. The Technical Textile Mission has been started to give impetus to research and new ideas in the field, he added. The Government is also working towards providing training in the technical textiles sector. Almost two-third of the global textile value chain is moving towards technical textiles and man-made fibres, stated Shri Piyush Goyal.

ASIATEX- 2023 has been organized by Hindustan Chamber of Commerce to promote the growth of the textile industry by creating effective networking opportunities for suppliers while bringing together buyers from different regions on one platform.

Source: pib.gov.in– Sep 01, 2023

[HOME](#)

Project to be launched for development of cotton markers, says Minister in Coimbatore

A project for development of cotton markers in order to promote DNA testing of cotton in the country will be initiated in collaboration with the Council of Scientific and Industrial Research-National Botanical Research Institute (CSIR-NBRI), said Union Minister for Textiles, Commerce and Industry and Consumer Affairs and Food and Public Distribution Piyush Goyal here on Thursday.

Addressing the Textile Advisory Group on Cotton, he said 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.

According to an official press release, the Minister also assessed the progress of the project on traceability, certification and branding of Kasturi Cotton India. The Cotton Textiles Export Promotion Council, which is the implementing partner for the project, has finalised the branding strategy for Kasturi Cotton and it will be launched internationally.

Operational area of 9,327 hectares has been covered under a special project to enhance cotton productivity. The Minister said the impact of the project should be studied so that it can be scaled up in next cotton season.

Source: thehindu.com– Sep 01, 2023

[HOME](#)

Commerce ministry to organise workshops on promoting exports through e-commerce

The commerce ministry on Friday said it has decided to organise monthly workshops to raise awareness about ways to promote exports through e-commerce mediums. The Foreign Trade Policy 2023 has mandated to handhold and conduct outreach programmes to promote e-commerce exports.

In addition to increasing awareness about e-commerce-related rules and processes, actions for capacity building and skill development for the promotion of exports through online medium is also mandated.

"In this regard, monthly workshops on e-commerce exports are proposed by this directorate," according to a trade notice of DGFT (Directorate General of Foreign Trade).

The workshops will cover aspects related to cross-border logistics, postal and customs compliances and cross-border payment mechanisms.

"The proposed workshops shall be held during the 1st week of each month through Video Conference. In-person workshops shall also be organised where feasible," it said.

The DGFT has also invited experienced e-commerce exporters to share their experiences and advise new entrepreneurs.

Think-tank Global Trade Research Initiative (GTRI) in its report has stated that India should target USD 350 billion worth of goods exports through e-commerce by 2030 and for that the government needs to address pain points of the sector by taking steps like formulating a separate policy.

With Global business-to-consumer (B2C) e-commerce exports estimated to grow from USD 800 billion to USD 8 trillion by 2030, India's strengths in high-demand customized products, expanding seller base, and higher profit margins per unit of export place it in a prime position to benefit from this trend.

GTRI has identified 21 action points for accelerating the country's exports through online medium.

India's current e-commerce export numbers remain far below their potential.

Currently, e-commerce exports account for only USD 2 billion, less than 0.5 per cent of the country's total goods export basket.

"The country must plan to export USD 350 billion, or about one-third of its total goods, through e-commerce by 2030. This will require focus on developing the ecosystem for e-commerce exports to fully realize its potential," the report has said.

The GTRI suggestions include redefining the responsibilities of sellers; simplifying payment reconciliation and processes; developing business ecosystem; and setting up a National Trade Network for the medium.

Source: zeebiz.com– Sep 01, 2023

[HOME](#)

GST collections hit 3-month low at ₹1.59 lakh crore in August, but still 11% higher than last year

Collections from Goods & Services Tax (GST) in August dropped to a three-month low at Rs 1.59 lakh crore, data released by the Finance Ministry on Friday showed. However, it is 11 per cent higher than last August. Experts expect collections to grow during the remaining parts of the year.

“The revenues for the month of August, 2023 are 11 per cent higher than the GST revenues in the same month last year. During the month, revenue from import of goods was 3 per cent higher and the revenues from domestic transactions (including import of services) are 14 per cent higher than the revenues from these sources during the same month last year,” a Finance Ministry statement said.

GST collections in August are related to invoices related to goods and services for July. The statement further said that out of gross GST collection, CGST (Central Goods & Services Tax) contributed over Rs 28000 crore, while SGST (State Goods & Services Tax) and IGST (Integrated Goods & Services tax) had a share of over Rs 35000 crore and Rs 83000 crore respectively. Cess provided around RS 11700 crore.

Commenting on the latest collection number, M S Mani, Partner with Deloitte India, said: “All the key manufacturing and consuming states have shown an increase ranging from 10 per cent to 23 per cent indicating that the overall increase in domestic consumption is fairly widespread across states”.

Vivek Jalan, Partner with Tax Connect Advisory, felt the Central Government’s Make in India scheme has also started to show results as domestic GST collections show a growth of 14 per cent and import collections show an increase of only 3 per cent. However, more needs to be done to propel domestic consumption further. For example, he said, “the customs duty rate of certain finished goods (like lithium ion cells) is far lesser than the Customs Duty of Raw Materials.”

Source: thehindubusinessline.com– Sep 01, 2023

[HOME](#)

India: ICAC's 81st Plenary Meeting in Mumbai

The International Cotton Advisory Committee (ICAC) is hosting its 81st Plenary Meeting in Mumbai, India from December 2-5, 2023. The theme of the meeting is "Cotton Value Chain: Local Innovations for Global Prosperity."

The meeting is expected to draw about 500 senior government officials, researchers, and private-sector professionals from all sectors of the global cotton and textile value chains. Expert speakers will share their insights on the industry's greatest challenges and opportunities, including:

- Technologies to increase production
- Private sector recommendations for traceability policy
- Facilitating R&D investment
- Climate-smart production innovations
- Industry 4.0 for Textiles

The meeting is a unique opportunity for governments and other partners to gain a better understanding of the most pressing issues facing the cotton and textile industry. It is also an opportunity to develop global initiatives to support cotton value chains, address outstanding issues, and agree on global strategies to advance the interests of all stakeholders.

Source: fashionatingworld.com– Sep 02, 2023

[HOME](#)
