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TEXPROCIL NEWS CLIPPINGS

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Currency Watch			
USD	EUR	GBP	JPY
83.27	90.88	104.39	0.56

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INTERNATIONAL NEWS

China sees 32.1% rise in foreign-invested firms in Jan-Oct 2023

China has witnessed a significant increase in new foreign-invested companies, with 41,947 established in January-October 2023, a 32.1 per cent rise from the previous year, as per the ministry of commerce.

Despite this growth, foreign direct investment (FDI) on the Chinese mainland in actual use declined by 9.4 per cent year-on-year, totalling 987.01 billion yuan (approximately $137.6 billion). Notably, FDI in the manufacturing sector rose by 1.9 per cent to 283.44 billion yuan.

Investments from Canada, the UK, and France have surged dramatically, recording increases of 110.3 per cent, 94.6 per cent, and 90 per cent, respectively.

Li Chao from the National Development and Reform Commission, in a recent press conference, stated that China intends to reasonably shorten its negative list for foreign investment and eliminate restrictions on foreign entries into the manufacturing sector.

Source: fibre2fashion.com– Nov 22, 2023

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USA: Monthly Cotton Economic Letter: November 2023

Most cotton benchmarks decreased over the past month.

- Open interest has shifted out of the NY/ICE December contract and into the March contract. Over the past month, the declines in the March prices initially were a little slower than the losses in December prices, but the spread closed in more recent trading. Current values for March are 80 cents/lb. One month ago, they were 89 cents/lb. Prices for the expiring December contract were 87 cents/lb one month ago.
- The A Index decreased from 97 to 89 cents/lb.
- Chinese prices (China Cotton Index or CC 3128B) fell from 114 to 106 cents/lb. In domestic terms, values dropped from 18,400 to 17,100 RMB/ton. The RMB was stable against the USD, holding near 7.29 RMB/USD.
- Indian spot prices (Shankar-6 quality) decreased by a smaller margin, from 90 to 87 cents/lb. In domestic terms, values fell from 59,000 to 56,700 INR/candy. The INR was steady near 83 INR/USD over the past month.
- Pakistani spot prices increased from 72 to 75 cents/lb. In domestic terms, values rose from 16,600 to 17,700 PKR/maund. The PKR depreciated slightly against the dollar, from 280 to 285 PKR/USD.

Supply, Demand & Trade

The latest USDA report featured a +855,000 bale increase to world cotton production (to 113.5 million bales) and a -484,000 bale decrease to world mill use (to 115.3 million bales). Beginning stocks were increased +204,000 bales (to 83.0 million bales) due to revisions to historical figures. The net effect of this month's changes was a 1.6 million bale increase to global ending stocks (to 81.5 million bales).

The largest country-level revisions to production figures included those for Afghanistan (+300,000 bales to 500,000), the U.S. (+273,000 to 13.1 million), Argentina (+225,000 to 1.5 million), and Paraguay (+175,000 to 275,000).

For mill use, the largest country-level changes included those for Vietnam (-200,000 bales to 6.7 million), Turkey (-100,000 to 7.9 million), and the U.S. (-100,000 to 2.1 million).

The estimate for global trade was revised marginally higher, increasing +75,000 bales to 43.3 million. For imports, the largest changes included those for China (+500,000 to 10.5 million), Vietnam (-200,000 to 6.7 million), and Turkey (-100,000 to 4.3 million). For exports, the largest changes included those for India (-200,000 to 1.8 million), Argentina (+100,000 bales to 800,000), Turkey (+150,000 bales to 650,000), and Afghanistan (+250,000 bales to 425,000).

Price Outlook

The fall in NY/ICE futures was preceded by losses in the Chinese futures market (Zhengzhou Commodity Exchange or ZCE). ZCE futures began losing value from the recent high set on Oct. 9. NY/ICE prices fell through support [price floor] around 84 cents/lb 10 days later. Since the decreases began, the ZCE January contract has fallen -11 percent (from 17,665 to 15,790 RMB/ton or from 109 to 98 cents/lb). Losses in the CC Index were -7 percent over the same time period (from 18,363 to 17,055 RMB/ton or from 114 to 106 cents/lb), and the decline for the March NY/ICE contract has been -10 percent (from 89 to 80 cents/lb).

In China, there have been supply concerns, with a smaller harvest long forecasted for the 2023/24 crop year. Relative to mill needs, supply-related anxiety appears to have been alleviated with the release of import quota and sales from the reserve system.

In data describing the volume of cotton purchased at reserve auctions, uptake has slowed considerably. Initially, the amount of cotton offered for sale from reserves was routinely selling out. More recently, the proportion of cotton sold has been significantly lower, and it has become routine that less than half the cotton offered is purchased. The decreased interest in reserve cotton may be an indication that mills do not need to secure supplies due to a slow downstream market.

There are widespread reports of a sluggish demand environment spread across most other major spinning markets. A timely representation of global mill demand comes from weekly U.S. export sales data. In those figures, U.S. export commitment is down -24 percent year-over-year, representing a decrease of -2.1 million bales. The U.S. crop is smaller, but that is not enough to explain all the weakness in sales.

It remains unknown how low prices may go with the current round of decreases. However, the establishment of a reasonable bottom may give market participants the confidence that the risk of further losses has diminished. In turn, this confidence may support an eventual recovery in demand.

Parallel statements could be made about the macroeconomy. Since the Federal Reserve and other central banks began increasing interest rates, there has been fear of recession. Certain markets, notably the Euro Zone, have already slipped into contraction, while a recession has yet to surface in the U.S.

Nonetheless, fear of an impending slowdown has loomed, with forecasters persistently suggesting a downturn is just over the horizon. This distress, along with other factors, including inventory management, inflation, and higher financing costs, have all been likely contributors to cautious downstream order placement.

If a definitive economic downturn were to surface, its arrival may facilitate the perception of a bottom. A bottom implies the emergence of confidence that conditions will improve. In turn, that confidence could lift demand and push more orders through the supply chain.

The trajectory of a recovery can be expected to be affected by the severity of any decline. but the recent bout of inflation may have reduced the appetite for the release of aggressive stimulus measures, such as the lowering of interest rates back to levels near zero. This may result in a more muted recovery than was experienced after the financial crisis and the Covid-driven recession.

Source: sourcingjournal.com– Nov 20, 2023

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Texworld New York City Amps Up Sourcing Event

Visitors would also be wise to take advantage of educational opportunities to get business context and vital trend information. Featuring global industry leaders, pioneering organizations and influential brand visionaries, the educational program is always a mix of networking opportunities and knowledge-sharing experiences. Regarding trend education, The Texworld Trend Showcase, curated by Doneger | TOBE, will return to the show floor with the latest trends for Spring/Summer 2025. Visitors will also be excited about another featured area for trends in partnership with Arsutoria.

Texworld New York City and Apparel Sourcing New York City will also have an expanded local sourcing area for visitors' domestic sourcing needs.

Pre-Show Webinar

The countdown to 2024 hasn't even begun yet, and it's already shaping up to be transformative for the fashion industry. On top of ongoing political conflicts, a worsening climate crisis and rising costs, the new year promises a U.S. presidential election, a potential avalanche of new regulations and worsening social compliance issues. One meaningful event in any of these areas could disrupt sourcing maps, undermine consumer sentiment and shrink profit margins—heavy stakes for an industry still grappling with digitization and diversification. While there's no way to predict the future, the best strategy is to be prepared.

Join Texworld on Dec. 7 for a deep dive with sourcing, supply chain and logistics insiders on the biggest risks and the best strategies for mitigating them as well as the greatest rewards and how to capitalize on those opportunities. From sustainability and raw materials to trade and labor, glean insights into which levers to pull to maximize productivity, agility and speed in the face of a multitude of challenges in the year to come.

Speakers for "2024 Cheat Sheet: Prepping Sourcing Executives for Next Year's Opportunities & Obstacles" include: Jason Kra, PhD, president, Li & Fung; Jon Devine, senior economist, Cotton Incorporated, Marten Lehmann, CEO and co-founder, Tailwind; Steven Lamar, president and CEO, American Apparel and Footwear Association (AAFA); plus moderated by Edward Hertzman, CEO, Hertzman Global Ventures, and founder of Sourcing Journal.

The panel will highlight: How political uncertainty will impact tariffs and treaties; The outlook for currency fluctuations and cash flow; The leading factors dictating raw material costs; The changes impacting freight prices and capacity; The regions to watch as diversification takes hold; What 2023 taught us about navigating the unknown.

LA Dates Announced

Texworld is also repeating its new West Coast shows, which debuted last year to large success, and next year's event will be held Aug. 13-14, 2024, at the California Market Center.

"Texworld and Apparel Sourcing Los Angeles were envisioned to elevate the textile and fashion landscape on the West Coast," said Bacon. "We were delighted with the turnout and the positive feedback received from participants. The event's success underscores the importance of such platforms in fostering innovation, sustainable practices, and global collaborations."

Stay tuned for further announcements regarding new special feature areas, seminar schedules, and more.

To register for the NYC Winter 2024 Edition or for additional information about the co-located shows, please visit Texworld online: www.texworldnyc.com.

Source: sourcingjournal.com– Nov 20, 2023

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20th Istanbul Yarn Fair in February 2024 to attract stakeholders from across the world

Scheduled from February 22-24, 2024, the 20th edition of the International Istanbul Yarn Fair, one of the largest global event in the yarn industry, will take place at the Tuyap Fair Convention and Congress Center in Istanbul.

Anticipating the participation of over 600 companies and more than 15,000 professional visitors, this event is poised to be a major gathering within the industry. In comparison, the 19th edition, held from June 1-3, 2023, saw 58 companies and representatives from 22 countries, attracting 12,677 sectoral professionals from 86 countries.

Organized by Tüyap Fair and Exhibition Organization the fair is an important platform for leading industry brands to exhibit their products, facilitating their access to both domestic and international markets. The event features a diverse array of exhibitors from four continents.

A broad range of products will be showcased at the fair, including, but not limited to, cotton yarns, elastane yarns, wool yarns, acrylic yarns, viscose yarns, polyester yarns, silk yarns, nylon yarns, textured yarns, fancy yarns, organic yarns, polypropylene yarns, regenerated yarns, metallic yarns, technical yarns, hand knitting yarns, fibers, bobbins, spools, reels, textile dyes, and chemicals. The fair serves as a comprehensive platform for industry professionals to explore the latest trends and innovations in the yarn sector.

Source: fashionatingworld.com– Nov 21, 2023

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Canada's apparel imports decline in September 2023

In September 2023, the value of apparel imports by Canada witnessed a notable decrease of 13.61 per cent, falling from $1.14 billion in August 2023 to $979 million.

On a year-on-year basis, Canada experienced a significant decline in apparel imports, with a drop of 29.13 in September 2023 compared to the same month in 2022.

Analyzing the top exporting nations, only Indonesia saw an increase in shipments, while imports from India registered a substantial decline of 10.42 per cent, reaching $297.17 million for the January to September 2023 period.

Similarly, imports from Vietnam decreased 8.85 per cent to $1.17 billion during this period, and imports from Bangladesh witnessed a decline of 12.54 per cent, amounting to $1.14 billion in the review period.

Source: fashionatingworld.com– Nov 21, 2023

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Australia's e-commerce market surges, outpacing pre-COVID-19 trends

Australia's e-commerce sector has experienced a significant leap, advancing four years ahead of its pre-COVID-19 trajectory, according to a new report by CBRE titled 'Australia's E-Commerce in the Post-Pandemic Era'. This surge reflects a profound shift in Australian consumer preferences towards online shopping, reshaping the retail landscape.

From 2017 to 2022, Australia's e-commerce market witnessed an impressive 113 per cent increase, reaching a total of $53 billion. This growth means that online sales now constitute 12.8 per cent of Australia's total retail spending as of September 2023, according to CBRE's data.

The report also notes a change in the growth rate of online retail trade. While there was a record high of 15 per cent growth in April 2022, during the peak of COVID-19 lockdowns, this rate has since decreased to a three-year low of 12.6 per cent in March 2023.

Despite this decline, the market has stabilised at rates significantly higher than the annual average growth of 2.5 per cent recorded over the period from 2017 to 2021.

On a regional level, Victoria stands out as a leader in Australian e-commerce, boasting a current penetration rate of 15 per cent. This highlights the varying degrees of e-commerce adoption across different states.

The report emphasises that location will be a crucial factor for the industry moving forward. As consumer delivery expectations continue to rise, businesses will need to strategically focus on their logistics and delivery processes to meet these evolving demands.

CBRE's Australian head of industrial and logistics research Sass J-Baleh said, "There are now more consumers buying online, with 82 per cent of Australian households making an online purchase in 2022 versus 73 per cent in 2018. These are now 'sticky' consumers, who did not previously purchase online but were forced to during the pandemic and have a continued preference for this style of shopping."

“Above trend e-commerce penetration rates have also been recorded in emerging e-commerce markets, such as Canada, Spain, Poland, Italy, Portugal and Turkey. However, we have also observed this in the US, where the e-commerce penetration rate is three years ahead of its pre-COVID trend.”

“Fast delivery requires goods to be stored close to consumers in urban infill locations. However, warehouse space is becoming limited in urban areas and land is becoming more expensive. One solution to limited space in urban areas will be the development of multi-storey warehouses to make use of the limited land available, whilst also being more cost-effective,” said CBRE’s South Sydney managing director Nathan Egan.

Source: fibre2fashion.com– Nov 22, 2023

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Saudi Arabia, China sign currency swap agreement worth 50 bn yuan

The Saudi Central Bank and the People's Bank of China have signed a bilateral currency swap agreement worth 50 billion yuan ($6.98 billion or 26 billion Saudi riyals), China's central bank recently announced.

Valid for three years, the agreement can be renewed upon mutual consent, according to a statement issued by the central bank.

It will help strengthen financial cooperation between both sides, expand the use of both the currencies and promote bilateral trade and investment facilitation, a state-controlled media outlet reported.

Source: fibre2fashion.com– Nov 21, 2023

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UK & South Korea to sign long-term agreement for future trade growth

In a move set to redefine its relationship with a crucial Indo-Pacific ally, the UK is poised to sign a significant long-term agreement with South Korea. This week, the UK's prime minister, Rishi Sunak, and president Yoon Suk Yeol of South Korea will formalise the Downing Street Accord, which aims to fortify bilateral trade and investment.

Trade and investment are at the forefront of this visit, with the prime minister hosting key South Korean investors at Downing Street. The trade secretaries from both nations are preparing to sign an accord to commence negotiations for an upgraded free trade agreement (FTA), expected to be modern and world-leading, the UK government said in a press release.

The future-proofed FTA aims to accommodate the technology-driven landscape of the upcoming decades, focusing on new digital trade, rules of origin, and streamlining existing arrangements. It also includes digitising customs procedures.

South Korea, the world's 13th largest economy, boasts approximately 45 million middle-class consumers and an import market projected to grow by 45 per cent by 2035. Since the initial FTA in 2011, trade between the UK and South Korea has more than doubled, now valued at £16 billion annually.

The negotiation launch coincides with South Korean businesses committing over £21 billion in new investments in the UK, particularly in renewable energy projects. This investment is anticipated to support more than 1,500 highly skilled jobs and is a precursor to the upcoming Global Investment Summit in London, the release added.

Moreover, this investment is fundamental to a new clean energy partnership between the UK and South Korea, aiming to triple global renewable energy capacity.

Prime minister Rishi Sunak said: "Long term, global partnerships are vital to our prosperity and security, both today and in the future. As two nations focussed on innovation, harnessing new technologies and defending the international rules-based order, the UK and Republic of Korea are natural partners.

"Through our new Downing Street Accord, we will drive investment, boost trade and build a friendship that not only supports global stability, but protects our interests and lasts the test of time.

"These close ties have already propelled £21 billion of investment between our countries, and I know a free trade agreement fit for the future will only drive further investment, delivering on my promise to grow the economy and support highly skilled jobs."

Source: fibre2fashion.com– Nov 21, 2023

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Vietnam, Romania seek ways to bolster trade

The 17th meeting of the Vietnam – Romania Joint Committee on Economic Cooperation was held in Hanoi on November 21 under the chair of Minister of Industry and Trade Nguyen Hong Dien and Minister of Economy, Entrepreneurship and Tourism Stefan-Rady Oprea.

At the event, the ministers expressed their delight at the fruitful relations between the two countries across various fields, of which economy – trade is an important pillar and a locomotive for the cooperative ties.

However, they said the two-way trade revenue during the 2019-2022 period, which rose over 1.6 folds from 2019 to 425 million USD in 2022, still lagged behind the two countries' potential and their sound traditional friendship.

Dien and Oprea said capitalising on the cooperation frameworks such as the signed free trade agreements and the joint committee will help Vietnam and Romania promote trade turnover in the coming time.

Dien took the occasion to thank Oprea for his support to accelerating the negotiations and signing of the EU-Vietnam Free Trade Agreement (EVFTA) and the EU-Vietnam Investment Protection Agreement (EVIPA), adding the EVFTA which took effect on August 1, 2020 has opened the door for trade activities between Vietnam and the EU and Romania in particular.

The two ministers agreed that both sides should take advantage of the EVFTA, open markets for each other's products, enhance exchanges of business delegations, and promote cooperation in the fields of Vietnam's interest and Romania's strengths such as engineering, specific-use machines, medical equipment, pharmaceuticals, and clean energy.

Suggesting Romania welcome Vietnamese garment and textiles, leather shoes and agro-fishery products, Dien highlighted that Vietnam stands ready to become a bridge to enhance the economic-trade relations between Romania and ASEAN as well as the economies that Vietnam has signed free-trade deals with.

Meanwhile, Oprea said Romania has created more favourable conditions for the import and export of the agricultural products of the two sides' strengths, and paid due attention to promoting cooperation in science-technology, especially in AI and digital transformation.

Romania will study Vietnam's recommendation on establishing a working group on labour in the framework of the joint committee, he added.

Many Romanian enterprises have expressed their interest in cooperating with Vietnam in oil and gas, electricity transmission, agriculture, IT, pharmaceuticals and tourism, he stressed, adding Romania is willing to serve as a gateway for Vietnamese products to enter other European markets.

Both sides also reached a consensus on stepping up investments in each other to realise the commitments on sustainable and green development and environmental protection.

Source: en.vietnamplus.vn– Nov 21, 2023

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Bangladesh RMG trade unions demand Tk 2,000 grade difference in wages

Readymade garment (RMG) trade unions in Bangladesh recently demanded a Tk 2,000 difference between grades, in addition to a monthly minimum salary of Tk 23,000, 65 per cent as the basic salary, retaining grades one and two, and abolishing grades five and six.

They also want Tk 1,000 as healthcare benefits and Tk 600 as transport allowance.

Sommilito Garments Sramik Federation, an alliance of apparel sector trade unions affiliated with IndustriAll, conveyed the demands to Minimum Wage Board chairman Liaquat Ali Mollah in a letter, domestic media outlets reported.

State minister for labour and employment Monnujan Sufian announced on 7 November that Tk 12,500 is the minimum wage for entry-level RMG workers.

However, trade unions and workers rejected the proposal, leading to protests and violence, in response to which, the Minimum Wage Board issued a gazette notification inviting comments and appeals within 14 days.

The top-grade wage was set at Tk 14,750 per month, a mere Tk 2,250 more than that of the lowest. Trade unions have submitted appeals.

Source: fibre2fashion.com– Nov 21, 2023

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Pakistan: Cotton import bill collapses

During the last fiscal year (2022-23), Pakistan's spinning industry raked in a record cotton import bill of $2.4 billion, despite the restrictions imposed on import by the central bank due to the foreign exchange liquidity crisis.

In fact, over the past three fiscal years, national cotton import bill averaged at $2.25 billion per year, making it the fifth largest line item on Pakistan's goods import bill, and the largest outside fossil fuels (crude oil, gas, coal) and palm oil. During the ongoing financial year (2023-24), it now appears likely that cotton imports might not even make it to top-10 of country's import bill!

Before fireworks are lit to celebrate what obviously looks like an achievement, let's pause to review how the industry may have gotten here. It has now been well-established that the country witnessed a turnaround in domestic cotton production during the latest kharif season, after the devastating monsoon floods of last year. However, there is a risk of over-selling this 'turnaround' story.

As BR Research has insisted many times, the expected cotton output for the current marketing year is a million bales lower than the average production during FY18 – FY22 (excluding flood year FY23) and is exactly at par with the reported output for the year before (FY22).

The effects of the 'turnaround' appeared overexaggerated during the early months of cotton harvest, a phenomenon well-documented in this space, however unacknowledged by the broader industry.

But if the expected cotton production during the ongoing year is at par with financial year 2021-22, it is only intuitive to conclude that demand for imported cotton may clock in the same range.

That year, Pakistan imported 4.5 million bales (of 170kg) of cotton, adding up to total domestic supply (domestic output + imports) of 13 million bales. Per BR Research's estimates, demand for imports in the ongoing year won't look anything like that.

Why? First, the financial year 2021-22 was still very much a growth year for both the country and the industry, with the country registering GDP growth rate of 6.10 percent, highest since 2004-05. For much of that year, the textile industry enjoyed concessionary financing schemes, subsidized energy tariffs, and average borrowing rate that was still very much within single-digit territory.

The same year, global cotton prices climbed up to an 11-year peak, averaging around 130 cents per pound, 60 percent higher than annual average for the year before. Together, the never-before-seen convergence of so many enabling forces drove Pakistan's annual textile exports to $18.5 billion, the highest in country's history.

Click here for more details

Source: brecorder.com– Nov 22, 2023

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NATIONAL NEWS

India's GDP to grow by 7% in Q2 FY24: ICRA

India's gross domestic product (GDP) is set to grow by 7 per cent in the second quarter (Q2) of the financial year 2024, as predicted by ICRA. This growth exceeds the Monetary Policy Committee's (MPC) earlier estimate of 6.5 per cent.

This marks a sequential moderation from the 7.8 per cent growth witnessed in the first quarter (Q1) of FY24.

This slowdown in GDP growth is attributed to a combination of factors, including a normalising base and variable monsoon patterns, according to ICRA. Despite the deceleration, the performance outstrips MPC's projections.

Aditi Nayar, chief economist at ICRA, highlighted the influence of uneven rainfall, commodity price trends, and a potential reduction in government capital expenditure due to the upcoming Parliamentary Elections.

These factors, alongside weak external demand, and the cumulative effect of monetary tightening, are expected to result in lower GDP growth in the second half of FY24.

The gross value added (GVA) growth is also anticipated to decrease to 6.8 per cent in Q2 FY24, down from 7.8 per cent in Q1 FY24. This is largely driven by the services sector, which is expected to grow by 8.2 per cent, down from 10.3 per cent, and agriculture, which is projected to grow by only 1.0 per cent, a significant decrease from the 3.5 per cent growth in the previous quarter.

Despite these projections, India's investment activity remained robust in Q2 FY24. Seven out of eleven investment-related indicators showed improved year-on-year (YoY) growth performance compared to Q1 FY24.

In the industrial sector, the GVA growth is estimated to rise to 6.6 per cent in Q2 FY24, boosted by sectors like manufacturing, electricity, and mining.

The manufacturing sector, in particular, is expected to see a growth of 5.5 per cent, benefitting from higher volumes and continued, albeit slower, tailwinds from commodity prices.

Overall, ICRA has maintained its FY24 GDP growth estimate at 6.0 per cent, which is lower than the MPC's projection of 6.5 per cent for the fiscal.

Source: fibre2fashion.com– Nov 21, 2023

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Reshaping India's export schemes

India faces ongoing challenges with export promotion schemes, as major trade partners like the EU and US impose countervailing duties, viewing them as subsidies. Even with the replacement of MEIS by RODTEP, the WTO incompatibility issue persists. We suggest a framework for increasing robustness of Indian export schemes.

Indian export schemes. India's high customs duties necessitate export schemes for competitiveness. For example, India's customs duties on industrial products, is 14.7 per cent compared to the EU's 4.1 per cent. The major schemes include the Advance Authorisation Scheme (AAS), Export Promotion Capital Goods Scheme (EPCGS), Duty Drawback Scheme (DDS), the Remission of Duties and Taxes on Exported Products (RoDTEP), Special Economic Zones (SEZ), Export Oriented Units (EOUs).

Ongoing challenges

The European Union, the US and many others have frequently viewed these schemes as subsidies, and imposed countervailing duties, neutralising the monetary advantages India provides to its exporters.

The primary contention is that these schemes violate the World Trade Organization's (WTO) Agreement on Subsidies and Countervailing Measures (ASCM). The action escalated in 2018 when the US filed a complaint against India at the WTO, claiming that India's export schemes contravened the ASCM.

The WTO's dispute settlement panel, in October 2019, agreeing with the US, found that India's schemes, including SEZ, EOUs, Merchandise Exports from India Scheme (MEIS) and EPCG, breached specific WTO agreements.

India initially wanted to appeal the decision and informed the WTO in November 2019. However, by June 2022, India and the US resolved the dispute, leading to India abolishing the MEIS, the main contentious scheme.

India launched the RoDTEP scheme in 2021 as a WTO-compatible alternative to MEIS, yet it still faces countervailing duties from countries like the US and EU. The scheme follows the globally accepted principle that taxes and duties should not be exported, and taxes and levies borne on the exported products should be either exempted or remitted to exporters.

The CVD actions continued on Indian export schemes including on RoDTEP. For example, the US imposed CVD on Indian file folders in May 2023, while the EU imposed CVD on graphite electrodes used for electric furnaces in June 20223.

The EU imposed CVD holding not only RoDTEP but AAS, EPCGS, and DDS to be incompatible with WTO rules. Both the EU, the US, and others may use the same logic to impose CVD on more products from India.

Perfect WTO compatibility is a complex matter. WTO rules demand that each exporter's transactions be reconciled individually. This involves scrutinising the detailed accounts of firms for every transaction, which is administratively burdensome.

For instance, the government's 'Brand rate of drawback' scheme follows this approach, but it results in long delays in settling dues. On the other hand, India's export schemes estimate expenses on an average basis and expedite dues settlement in few days. However, this often leads to disputes.

Govt response

Faced with these challenges, the government needs a multi-pronged approach:

(i) Improve the structure of export schemes. To comply with global trade rules, India can make several improvements in export schemes:

AAS: Implement robust systems to trace raw materials and ensure their actual use in production. Refine the Standard Input Output Norms to avoid excess benefits and link raw material imports to final exports. Redefine subsidy calculations to align with international standards, considering only the excess duty amounts as subsidies. GSTN data may help.

EPCGS: Reduce import duties on select capital goods, complemented by low GST rates.

DDS: Improve by establishing a more effective system for verifying actual input use in exported products. Although adjusting All Industry rates is challenging, the brand rate is compatible with WTO standards. Link drawback rates directly to the actual duties paid on materials and provide transparent evidence of this linkage. Exporters should maintain detailed consumption data at each production stage.

RoDTEP: Regular checks based on actual inputs should be conducted to ensure compliance with WTO rules and prevent excess payments.

(ii) Use offence as defence. In June 2022, the US and India agreed to drop six WTO disputes, encompassing three cases initiated by each. This was possible because India filed several cases against the US. Most nations including the US and EU have turned protectionist and implement many WTO incompatible schemes.

India needs to actively raise disputes against them to counter or later bargain. Doing this competently would require a professional setup akin to the US Trade Representative and a robust panel of experts. The current set up lacks depth.

(iii) Resist premature withdrawal of schemes. For instance, the abrupt end of the MEIS, which supported over 50,000 exporters, highlights the importance of careful policy making. MEIS was a popular, easy-to-use scheme. It was effective in offsetting a portion of the high transaction costs faced by exporters.

Given the current dysfunction of the WTO appellate body, it could have been continued. The government’s decision to terminate MEIS might have been influenced by the desire to redirect funds to the PLI scheme.

(iv) Examine India’s customs duty structure. Many of India’s export schemes, like SEZ, EOU, A.A., RoDTEP, and Drawback, exist because of such high import duties.

Exporters use these schemes to either get a refund of duties paid or to be exempt from paying import duties. Reducing import duties on inputs and capital goods could lessen the need for many of these export schemes.

Ultimately, India’s ability to harmonize its export promotion strategies with international trade norms will be crucial in enhancing its global trade footprint while respecting the framework of global trade laws.

The path forward demands adaptability, strategic foresight, and a commitment to aligning domestic objectives with the evolving landscape of international trade.

Source: thehindubusinessline.com– Nov 21, 2023

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Shipping Ministry likely to delay ₹11,000-cr container-making PLI amid excess global supply

India's Shipping Ministry is likely to delay the launch of its ₹11,000 crore PLI scheme for container making given changed market conditions and glut in supply, officials aware of the discussions told businessline.

Officials say, one of the biggest apprehensions surrounding the scheme continues to be its acceptability primarily in view of the "excess availability of containers in the market at the moment".

Bhavnagar in Gujarat was initially identified as one of the hubs for contained manufacturing and some companies reportedly began operations there too.

"When the scheme was initially floated or mooted there was a shortage of containers in the market, especially in India. Chinese manufacturing had not restarted at pre-Covid levels. But now, there is an excess supply of containers globally, some are lying empty in Chinese ports too," the official said.

In the backdrop of slowing global trade, shipping and container prices continue to moderate.

Apprehensions are rife that there may not be takers in the market for additional capacity that could be created. In such a case, coming out with incentives for manufacturing of containers may not be a good move, "and there may not be many takers too", the official pointed out adding that the matter is being discussed "internally".

"To be fair, the scheme has not been shelved. But it is not a good time to launch the scheme at the moment. There may not be takers. There will be a rework in timelines, deliverables and perhaps even the incentives. Manufacturing incentives could be over a shorter period perhaps. All this is under discussion now," the official said.

Initial plans

As per the initial plans, the ₹11,000 crore PLI scheme was mooted spread over a nine-year period, beginning 2024-25, for the manufacture of shipping containers. The scheme intended to push manufacturing and compete with China, garnering at least 10 per cent of demand from global liners.

According to a previous Cabinet note accessed by businessline, of the nine years of outlay, incentives for the first five years will be fixed, while for the next four years, it will be in “tapering fashion or in decreasing order”. The push will be towards the manufacture of 20 ft and 40 ft length containers (called standard containers). These include dry storage containers, flat rack containers, open-top containers, open-side storage containers and refrigerated ISO containers.

Two incentive schemes are under discussion then.

Gloomy outlook

Inter-ministerial committee-level discussions that are reportedly underway to re-work the scheme, at present, have mentioned that freight rates corrected in 2023 to pre-pandemic levels, from the 2021 and 2022 peaks.

According to a Shipping Ministry official air freights are down to 8 -9 per cent-odd while shipping rates are down 60 per cent on a y-o-y basis.

Container shipping companies, whose performance is seen as a bellwether for global trade, have reported tumbling revenues and profits amid falling freight rates as vessel supply outstrips demand.

Maersk, the shipping major, is expected to cut jobs amidst rigorous cost-cutting measures following a 90 per cent-odd drop in profits particularly attributed to slowing global trade.

Hapag-Lloyd, the German player, saw an 80 per cent decline in profits for the nine-month period and also cut its full-year guidance on a continuing gloomy outlook.

According to Varun Gogia, Assistant Vice President, - Corporate Ratings, ICRA Ltd, container shipping rates adjusted for inflation have “plummeted to pre-Covid levels amid a weak economic outlook and rising capacity of shipping lines”. The increase in the interest rates by the central banks has led to a weak demand outlook. “The cashflows of the shipping lines have moderated as the freight rates have moderated sharply from record high levels while the bunker rates have moderated to a lesser extent," he said.

Chinese dominance

Incidentally, container manufacturing is dominated by China globally with the country meeting nearly 90 – 95 per cent of the demand. Of this, three state-owned enterprises dominate manufacturing.

India too depends on China for such supplies with CONCOR (Container Corporation of India) importing its stockpile of nearly 40,000 containers from China.

For the April - October period container cargo handled across 12 major ports in India stood at 7128 twenty equivalent units (TEUs), an 8 per cent rise y-o-y, over the 6586 TEUs handled earlier.

Source: thehindubusinessline.com– Nov 20, 2023

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14-nation agreement on supply chain resilience opens doors for India

The Indo-Pacific Economic Framework's (IPEF) Supply Chain Resilience Agreement (Pillar 2) is probably the fastest-concluded plurilateral economic cooperation agreement, which Commerce Minister Piyush Goyal signed on November 14. India along with 13 other countries (Australia, Brunei Darussalam, Fiji, Indonesia, Japan, Republic of Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand, the United States, and Vietnam) are party to the agreement to fortify global supply chains and enhance adaptability, stability, and sustainability.

Supply chain resilience

The agreement aims to reduce dependence on China and enhance the manufacturing of essential goods in member nations. It provides a framework to build collective understanding of supply chain risks, supported by each partner's identification and monitoring of its own critical sectors and key goods. It is expected to make supply chains robust and well-integrated through crisis response measures, cooperation for mitigation of disruptions, improvements in logistics and connectivity, and by mobilising investment.

It protects and benefits labour through adherence to International Labour Organization's Declaration on Fundamental Principles and Rights at work (1998), as amended in 2022. It ensures the availability of a sufficient number of skilled workers in critical sectors and key goods, including by upskilling and reskilling workers. It also aims to identify opportunities for technical assistance and capacity building in strengthening IPEF partners' supply chains.

The agreement establishes three IPEF Supply Chain bodies to facilitate cooperation among members. These are:

• The IPEF Supply Chain Council: The Agreement will establish a mechanism for the IPEF members to work collectively to develop sector-specific action plans for critical sectors and key goods to enhance the resilience of IPEF member countries' supply chains. It will do so through measures like diversification of sources, infrastructure and workforce development, enhanced logistics connectivity, business matching, joint research and development, and trade facilitation.

• Supply Chain Crisis Response Network: It will be an emergency communications channel for the IPEF member countries to seek support during a supply chain disruption and to facilitate information sharing and collaboration among them during a crisis, enabling a faster and more effective response that minimises negative effects on their respective economies.

• Labour Rights Advisory Board: It will consist of government, worker, and employer representatives, as well as a subcommittee composed of government representatives, to support the IPEF member countries in promotion of labour rights in their supply chains, promoting sustainable trade and investment, and facilitate opportunities for investment in businesses that respect labour rights as per the ILO standards.

Opening doors to opportunities

Once implemented, the Supply Chain Agreement is expected to bring in several benefits to India. The IPEF members represent around 40% of the global gross domestic product (GDP) and 28% of international trade. India can gradually replace China as the global sourcing hub for IPEF partner countries. Some of the potential benefits include a shift of production centres in key goods/critical sectors to India; increase in domestic manufacturing capacities aligning with the objective of Aatmanirbhar Bharat; and enhanced investment in production of key goods, logistics services and infrastructure.

It will help in deeper integration of MSMEs in value chains and enhance trade facilitation through digital exchange of trade documentation, quicker port clearances, etc. Provision of joint research and development can help to diversify manufacturing and adhering to ILO standards will facilitate the transition of employment from informal to formal.

Speaking at the event for signing the agreement, Goyal emphasised on enhanced collaboration to realise collective aims of the IPEF, particularly on the need for mobilising affordable financing for clean economy transition and for enhancing technology cooperation. He also urged early implementation of the envisaged cooperative work under IPEF, including on bio-fuels alliance as suggested by India. At the sideline of the signing-in ceremony, Goyal held meetings with businesses communities for facilitating investment in India and B2B collaborations.

The agreement is unique as it aims to increase the resilience, efficiency, productivity, sustainability, transparency, diversification, security, fairness, and inclusivity of the supply chains of the signatory countries through both collaborative activities and individual actions taken by each IPEF partner. India already has trade agreements with several IPEF partners and these needs to be reviewed in the line of this new initiative.

While many components of this agreement are not binding, if the IPEF partners are committed to operationalise the agreement, this will bring benefits to businesses and workers in the partner countries. India may, therefore, continue with some of the path-breaking initiatives that the country has already taken as part of its reform agenda.

Source: business-standard.com– Nov 21, 2023

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ASEAN wants India to join RCEP for greater market access: Secretary-General Kao

ASEAN Secretary-General Dr Kao Kim Hourn has said that the 10-member bloc of the Southeast Asian countries wants India to join the landmark Regional Comprehensive Economic Partnership (RCEP) for greater market access as he asserted that all partners stand to gain from the inclusive, open and rule-based trade pact. Dr Kao also said that India and ASEAN have been working together across different sectors - from space to investment, to tourism, to the defence sector and counter-terrorism, among others - and advocated expanding such cooperation in new sectors.

Talking to a select group of Indian journalists here on Monday evening, Dr Kao said joining the Regional Comprehensive Economic Partnership (RCEP) would benefit India as the agreement would provide greater market access.

He added that all partners will gain from the inclusive, open and rule-based trade pact.

The RCEP is a free trade area (FTA) consisting of 10 ASEAN members (Brunei, Cambodia, Indonesia, Malaysia, Myanmar, Singapore, Thailand, the Philippines, Laos and Vietnam) and five of the bloc's dialogue partners -- China, Japan, South Korea, Australia and New Zealand.

The landmark agreement was signed in November 2020. Together, these RCEP participating countries account for about 30 per cent of the global GDP and 30 per cent of the world population.

India had pulled out of the RCEP as, according to officials, joining it would have resulted in fairly negative consequences for the country's economy.

"Looking ahead, of course, we hope to continue to expand the existing areas of cooperation and also to deepen our cooperation," he said, suggesting collaboration in the biotech sector, public health facility, renewable energy sector, people-to-people exchange, connectivity and in many other areas.

"We stand to benefit from the partnership between ASEAN and India. At the moment, we have many mechanisms for cooperation between the two sides," he added.

Recalling Prime Minister Narendra Modi's visit to Jakarta in September to attend the ASEAN summit, he said the grouping "highly value" its "partnership" with India.

"We were delighted to welcome Prime Minister Modi to Jakarta, where he participated in the ASEAN India Summit. And we highly value our partnership with India," he said.

During the Summit on September 7 in Jakarta, Prime Minister Modi presented a 12-point proposal to expand cooperation between India and ASEAN in a range of areas such as connectivity, trade and digital transformation even as he called for building a rules-based post-COVID world order.

The prime minister had reaffirmed that ASEAN is the central pillar of India's Act East Policy and it fully supports ASEAN centrality and its outlook on the Indo-Pacific.

Dr Kao said that ASEAN is a maritime community and India is a maritime nation. "We can collaborate in the maritime sector, for example, maritime cooperation, which is one of the four priority areas under the ASEAN outlook on the Indo-Pacific. Also (we can) work together in the digital economy and sustainability, in the renewable energy sector and people-to-people exchanges and connectivity."

Dr Kao also talked about the contributions of ASEAN-India dialogue relations to ASEAN's community-building efforts and underscored the important role of media in encouraging greater cooperation between ASEAN and India, especially in the areas of cultural exchanges, connectivity and people-to-people ties, among others.

He advocated a liberal aviation pact that would facilitate more direct flights between India and ASEAN nations and enhance people-to-people ties and boost tourism.

Responding to a question on conflicts in different parts of the world, Dr Kao said that ASEAN is a strong proponent of peace, dialogue and diplomacy.

"ASEAN has always been promoting a culture of dialogue, habits of consultation, and of course constructive engagement," he said, adding that things should be worked out through dialogue and the non-use of force.

He hoped that the United Nations would play a constructive role in the resolution of the ongoing conflicts around the world.

"We hope that the United Nations will play a constructive role in ongoing conflicts around the world. We believe that the UN has the means and of course, the commitment to work toward the resolution of the conflicts, particularly when we see a humanitarian tragedy unfolding before us," he said, referring to the Israel-Palestine conflict.

ASEAN wants "peace should be given a chance", he added.

The ASEAN or the Association of Southeast Asian Nations is considered one of the most influential groupings in the region, and India and several other countries including the US, China, Japan and Australia are its dialogue partners.

ASEAN-India dialogue relations started with the establishment of a sectoral partnership in 1992. This graduated to a full dialogue partnership in December 1995 and a summit-level partnership in 2002. The ties were elevated to a strategic partnership in 2012.

The ties between India and ASEAN have been on a significant upswing in the last few years with the focus being on boosting cooperation in the areas of trade and investment as well as security and defence.

The two sides elevated their ties to a comprehensive strategic partnership last year.

The 10 member countries of ASEAN are Indonesia, Malaysia, the Philippines, Singapore, Thailand, Brunei, Vietnam, Laos, Myanmar and Cambodia.

Source: economictimes.com– Nov 21, 2023

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Infrastructure that India needs to become an apparel export powerhouse

It's no secret that India has once again set itself an ambitious goal to achieve, the nation is gearing up to acclaim the goal of $50 billion in exports by 2030, poised to become the global Apparel export powerhouse. However, in the recent past, India's obscure performance in the exports from the apparel sector has raised serious doubts about the nation being able to achieve its goal. One of the most prominent reasons for India's unostentatious performance is the heavy reliance on a few markets like the USA and EU, making India's apparel export susceptible to recession and downtrend in these markets.

Over the past few months, these developed economies have been vulnerable to degrading demand, escalating inflation and high levels of inventories. Simultaneously, they have witnessed and experienced the Ukraine-Russian conflict, which in turn has severely impacted India's exports from the apparel sector. Thus, the need for robust infrastructure developments in this sector is no longer a luxury but a dire requirement that can propel and fortify India's position as a reliable and competitive global apparel export player.

Taking into account the significant 4.9% contribution of the apparel sector to total exports in India, the Apparel Export Promotion Council (APEC) has put greater emphasis on the apparel industry's need to focus on market and product diversification. The government is dedicated to paving the way for India to emerge as an international player by playing a pivotal role in the global supply chain. In order to enhance the industry's competitiveness, the government is creating a conducive environment for increasing the ease of doing exports. Additionally, the government has signed trade agreements with countries like UAE and Australia, which will help prioritize market and product diversification, boosting the apparel exports sector.

Infrastructure-oriented Developments

Although the Indian Apparel industry shows remarkable prowess throughout its complete value chain that covers an extensive range of apparel segments from natural to synthetic fibres but infrastructure improvements in design, technology and quality can help it reach the benchmark it needs for global success.

Expanding the Base

One of the major roadblocks in its apparel growth story is the miniscule share of manmade garments in its export basket, which in contrast to other leading export countries is significantly low. While natural fabrics are considered the backbone of the country, with the Indian industry being heavily reliant on cotton-based products, it hampers the nation's ability to diversify as other potential partner countries like Japan's import requirements are primarily in MMF and synthetic fibre garments.

Recognizing the potential for growth in the Man-made Fibre (MMF) sector, the global mill fibre consumption is moving towards MMF and the Product Linked Incentive (PLI) scheme. This will accelerate the production of MMF fabric and will enable India to venture into markets like Japan and cater the burgeoning global demand.

Quality-Centric Rigorous Testing

India's lack of emphasis on quality testing across the value chain is a grave issue posing a blockade to India's search for Global Apparel Export supremacy. Major international sourcing houses and countries have extremely concrete standards for the garments they source and poor quality is a dominant reason for declining growth and reputation. To mitigate this issue, there is a pressing need to establish a quality control framework in India to gain the confidence of international buyers.

Additionally, manufacturers must prioritize regular testing at various stages of production and conduct thorough final product inspections. It requires building state of the art quality control labs across prominent garment clusters in the country to audit and verify companies as attested and authentic quality suppliers.

Digital Textile Technology

Advancements in Digital Textile technologies have propelled developments in digital printing, fabric weaving and other processes allowing the production of widespread fabrics with greater accuracy, consistency and cost-efficiency. While digital printing has allowed for vibrancy in colours printed onto fabrics, inkjet printing has opened doors for the rapid production of printed fabrics. This revolution has made it possible to source garments seamlessly and produce fabrics with a variety of properties like water-repellant, fire-resistant and antimicrobial.

Imbuing fabrics with such properties is a key element in facilitating apparel exports, as it makes them suitable, functional and aesthetically pleasing for certain conditions in particular geographical regions, unlocking doors to greater exports with newer geographies.

In Conclusion

There is great excitement and zeal in the Indian apparel export industry to foray into newer markets. Holistic strategies combined with in-depth research of fashion and design trends, robust mechanisms for quality and regulatory compliance will provide an edge to the Indian industry by aligning them with international testing standards and norms. India can go a long way in establishing trust and do the trick for becoming the global apparel export powerhouse.

Source: financialexpress.com – Nov 21, 2023

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PM Mitra Textile Park to get extensive road connectivity

The park is coming up in 1100 acres where the state government is expecting investment of ₹10,000 crore.

According to the office of additional chief secretary, Handloom and Textile Industry, the outer ring road (Ratha Underpass) to the PM Mitra Park will be 14.280 km long.

While the road from the Ratha Underpass to the IIM will have a total length of 8.800 km.

The project will come up at a cost of ₹454.34 crore, said the state government.

The Park will be developed under the Public Private Partnership (PPP) mode. The core infrastructure will be constructed with ₹500 crore while a provision of ₹300 crore has been made for manufacturing units.

Common infrastructure at the park includes a road network, 24x7 power supply, water supply, warehouse, zero liquid discharge effluent treatment plant, training and skill development facility, administrative building, product display facility, and testing laboratory along with an exhibition centre.

Similarly, social infrastructure includes workers' hostels, housing zones, medical facilities, commercial and recreational facilities, open spaces, parks and security.

Source: hindustantimes.com – Nov 22, 2023

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Organised value fashion segment set to grow at a faster clip: Report

Post Zudio's success, more national retailers have entered the value fashion segment targeted at budget-conscious consumers

The entry of national apparel retailers in the value fashion segment is likely to fuel a shift from unorganised to organised players.

Stating that value fashion is the fastest growing segment in the apparel sector, a report by Motilal Oswal Financial Services added that while the overall value apparel category is projected to report a 6 per cent CAGR over CY20-25, organised value apparel retail is expected to outperform the overall value category and post about 13 per cent CAGR during the same period.

Growth factors

This growth will be driven by factors such as increased disposable income, a favourable demographic profile with a large addressable market of millennial and Gen Z customers and urbanisation.

The value fashion segment targeted at budget-conscious consumers, which constitutes about 57 per cent of the overall apparel market is one of the fastest-growing segments. Post the success of Trent's Zudio, the segment has seen entries of national retailers such as Yousta (Reliance Retail), Style-Up (ABFRL), and InTune (Shoppers Stop), it added.

"A huge opportunity beyond the metros and Tier 1 cites, driven by better demographics, higher incomes and better aspiration within the customers, has compelled several big players to enter a market that was previously dominated by regional and local operators," the report noted.

Intensive competition

It also added that regional retailers are facing intensive competition and a few of them are yet to recover to their pre-Covid levels due to the continuing weak consumption in the smaller tier cities.

The market size is substantial and customers' preference for organised retail with a better shopping experience will drive growth. "However, with the ability of each deep-pocket player to expand their footprints in the next 3-5 years, the market may see a proliferation of store networks," it added.

However, the report noted that national retailers will need to focus on operational efficiencies as store-level execution will be critical to ensure profitability in the value fashion category. "Design and inventory management remain key differentiators as evidenced by the recent performance of players such as Zudio and InTune, which focus on the youth category, whereas regional retailers emphasize value propositions and local preferences," the report added.

"While the market presents tremendous opportunities, aggressive entry by national retailers could be a red flag. Conversely, we believe that if Reliance Yousta, Shoppers Stop's InTune, V-Mart, and ABFRL can execute their plans properly, the growth potential is substantial from hereon," the report pointed out.

Source: thehindubusinessline.com– Nov 21, 2023

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Intex India A Comprehensive Platform for Textile and Apparel Industry Professionals

Intex India has established itself as the premier sourcing destination for textile and apparel industry professionals, providing a comprehensive platform that encompasses sourcing, networking, learning, and innovation across the entire textile value chain. With its extensive global reach and unwavering commitment to excellence, Intex plays a pivotal role in shaping the future of textiles, not only in India but across South Asia.

A Catalyst for Growth and Innovation

Intex India serves as an unrivaled B2B international textile sourcing event, attracting a multitude of exhibitors, buyers, and professionals who are integral to the textile and apparel industry's vibrancy. It fosters seamless connections between exhibitors and buyers from diverse regions across the world, offering comprehensive sourcing solutions and access to the rich and diverse tapestry of the textile and apparel industry.

A Hub for Knowledge Sharing and Business Expansion

Intex India provides a unique opportunity for networking, knowledge sharing, and business expansion, catering to a wide spectrum of professionals, ranging from textile manufacturers and suppliers to designers and entrepreneurs.

The trade show showcases the latest textile innovations and industry trends, functioning as a hub for the exchange of ideas and knowledge, facilitating discussions on sustainable practices, digital advancements, and design innovations that are shaping the textile landscape.

A Testament to Continued Growth and Success

Since its inception in 2015, Intex has gone from strength to strength. Through the past 12 editions, it has connected over 50,000 trade buyers from over 35 countries with over 1,850 textile suppliers from 20 countries. This remarkable track record underscores the event's continued growth and its vital role in facilitating international trade relations.

An Immersive Experience for Industry Professionals

Intex India 2023 transcends being a mere exhibition. It offers an immersive experience for professionals, with special forums that serve as platforms for industry leaders to exchange ideas, knowledge, and insights. These forums include:

Intex Textile Conclave (ITC): An inspiration and innovation exchange where the industry's brightest minds come together to share their vision for the future.

Intex Investment Forum (IIF): An opportunity to explore the investment potential in India and globally, paving the way for business expansion and collaboration.

Interactive Business Forum (IBF): A convergence of ideas and businesses, where industry leaders chart the course for future growth and development.

A Force Shaping the Future of Textiles

As the industry evolves and transforms, Intex India has emerged as a consistent and indispensable force, contributing significantly to the development and progress of the textile and apparel sector in the region. It is a place where ideas become reality, where connections are forged, and where the textile industry's future is etched. Intex India 2023 is not just an exhibition; it's an experience that will shape the industry's future.

Source: fashionatingworld.com– Nov 21, 2023

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Wedding season adds glitter to Indore garment sector

Indore: The garment industry of Indore, a hub for small scale ready-made garment manufacturers, has ramped up purchases and production amid a jump in orders from outstation markets and surroundings of Indore ahead of wedding season. The garment industry eyes a jump of more than 15 per cent in business in the wedding season, a peak demand period for garment manufacturers.

The association of ready-made garments have pegged the annual sales of clothes in Indore to around Rs 800-Rs 1000 crore. Amid a spurt in demand and targeting new markets, many ready-made units have hired designers and additional workforce for the wedding period that will extend until January.

More than 2,500 weddings are scheduled in Indore until January in Indore, said hotel industry. Bookings for locally made garments have seen a surge from the markets of Rajasthan, Uttar Pradesh, Maharashtra, Gujarat, Tamil Nadu, Andhra Pradesh and Haryana, claimed ready-made manufacturers.

Ready-made Textile Dealers Association president Ashish Nigam said, “This season seems much better than last year looking at the volume of orders and enquiries from retailers. Retailers from the outstation markets have started placing orders and units have ramped up production to meet the demand well in advance in the wedding season.”

Indore is a hub for ready-made garment manufacturers with presence of more than 2500 small and medium sized garment manufacturers and festivals are the peak business season for the garment sector. Local manufacturers have orders for kids wear, women wear, men wear and ethnic wear and the volume is expected to rise further said manufacturers.

Maharaja Tukojirao Cloth Market Merchants Association secretary Kailash Mungad said, “The upcoming season is looking promising and we are anticipating at least 20 percent jump in sales. Footfall of outstation retailers has started and bookings are in good numbers. Most of the orders have come for fancy and ethnic wear.”

Source: timesofindia.com– Nov 22, 2023

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MAS Holdings in process to invest in Odisha

MAS Holdings, a global apparel conglomerate from Sri Lanka can start a giant manufacturing unit in Odisha. A proposal to invite the apparel company to set up a textile unit in Khurda region is under the consideration of the State Government.

The apparel giant, having 53 manufacturing units in 16 countries with one lakh employees, is interested in setting up an integrated textile and apparel manufacturing facility in the state. It has been said that this unit can provide employment to more than 5,000 people.

Mahesh Amalean, chairman of the company met Naveen Patnaik, Chief Minister of the state and showed keen interest for investment in Odisha. He apprised the Chief Minister of the portfolio of his company.

The Chief Minister assured all possible support to the company. Support will be available in terms of skilling and industrial eco-system development.

The State Government will provide suitable land and also facilitate necessary tie-ups to establish supply chain and skill development centres.

MAS Holdings already has its operations in India as its unit Linea Fashions is operational at Chengalpet in Tamil Nadu.

Source: apparelresources.com– Nov 21, 2023

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