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Currency Watch			
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INTERNATIONAL NEWS

Some disquieting trends in global trade

Recently the World Trade Organization (WTO) released two important documents — (i) World Trade Statistics 2023; and (ii) World Tariff Profile 2024.

While both contain detailed and apparently boring data tables and refrain from presenting any analysis, sifting through these documents are a number of interesting trends in the current global trade scenario emerge.

Recent Trends

Traditionally, the first document, World Trade Statistics 2023 highlights trends in global merchandise trade and trade in services on an annual basis. According to this, merchandise trade and trade in commercial services are showing a different trend for the year 2023! Specifically, the following trends are worth noting:

* In volume terms, global merchandise trade declined by 1.2 per cent in 2023. The decline is sharper in terms of value, which contracted by 5 per cent in 2023. Apart from lower volumes, declining commodity prices, and exchange rate fluctuations could have led to this decline.

* On the other hand, in 2023, trade in commercial services grew by 9 per cent in value terms, led mostly by travel, computer services, research and development and business services. Higher global risk emanating from geopolitical tensions, supply chain disruptions and climate change related uncertainties led to high growth of the insurance services sector, which grew at 18 per cent in 2023.

* Overall, the combined value of international trade in goods and services has declined by 2 per cent in 2023.

The possible reasons behind this unusual slowdown of trade could be attributed to increasing geopolitical tensions and their impact on the shipping routes, growing protectionism across the world, a rise of unilateral policy measures taken by various countries and an incipient trend of fragmentation of international trade among various trade blocs.

It is also possible that high inflation coupled with some contractionary economic policy measures in some developed countries contributed to the decline in merchandise trade.

Where does India stand?

Interestingly, in both merchandise trade and trade in services, India has improved its position in 2023. In merchandise exports, India was ranked 18th in 2022 with a market share of 1.8 per cent. In 2023, India's exports have declined to $432 billion but India has managed to become the 17th largest exporter in the world. In commercial services exports, India's rank moved from 8th in 2022 to 7th in 2023, with a marginal increase in its market share.

In 2023, India is ranked 2nd in ICT services exports in 2023 with exports growing at 13 per cent. Apart from the ICT services exports, India also features among the top 10 exporters of the following services subsectors: Other commercial services (4th), Other business services (4th), Personal, cultural and recreational services (5th), Construction services (7th), Financial services (9th) and Insurance and pension services (10th).

The second report, World Tariff Profile 2024 provides comprehensive information about tariff and non-tariff measures (NTM) used by the WTO Member countries in 2023.

There are four main types of NTMS as per WTO: (i) trade remedial measures, such as, anti-dumping duties and countervailing duties; (ii) safeguard measures used by countries to temporarily restrict imports when there is an import surge; (iii) product standards, such as, the Sanitary and Phytosanitary Standards, used to protect human, animal, or plant life and health from specific risks; and (iv) technical barriers to trade (TBT). The report published data for the first two type of NTMs but not on SPS and TBT.

This report shows that India has been one of the most prolific users of Non-Tariff Measures (NTMs) in international trade. Specifically, for the calendar year, 2023, 186 anti-dumping investigations were conducted by the WTO member countries, and on 86 occasions anti-dumping measures were implemented.

The top three countries which implemented maximum anti-dumping measures against other exporting countries in 2023 were: the US (14 measures), India (14 measures) and European Union (5 measures). India was also at the receiving end of anti-dumping measures imposed in 2023.

Countervailing measures are imposed against subsidised exports which do not fulfil certain WTO legal requirements. In 2023, a total of 11 countervailing measures were imposed by WTO member countries.

Among these, India imposed three measures, and five were imposed by the US. India was also at the receiving end of these countervailing duties as three out of the total 11 were imposed against Indian exports. India has also been a user of the WTO safeguard provisions in 2023. Out of the total six times such safeguard measures were used, India used it two times.

Why NTMs?

There are a few possible reasons for India's usage of NTMs. First, India can legitimately have an active and interventionist trade policy regime that uses tariffs and NTMs to optimise its trade flows according to domestic requirements.

Second, India has a broad and diversified industrial base, so the demand for trade policy measures can be on the higher side.

Third, China's economic slowdown and demand compression have led to an aggressive export push by Chinese firms. To protect domestic producers from these artificially cheap Chinese exports, many countries, including India, use different trade policy measures, including NTMs.

Overall, these data are perhaps in sync with the hypothesis that globally, countries are focusing more on economic independence and self-sufficiency. This current policy ideology seems markedly different from the principles of comparative advantage, free trade, and global cooperation on which the globalization stood.

Source: thehindubusinessline.com– Sep 04, 2024

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US manufacturing PMI declines as production falls in August

In August, the US manufacturing sector experienced a decline in production for the first time in seven months, according to the latest S&P Global US Manufacturing Purchasing Managers' Index (PMI). The seasonally adjusted PMI fell to 47.9, down from 49.6 in July, marking a second consecutive month below the 50.0 no-change mark. This indicates a modest deterioration in the health of the manufacturing sector, the most significant so far in 2024.

The downturn in manufacturing was driven by a continued fall in sales, reflecting weakened demand across the sector. New business orders declined for the second month in a row, with the reduction being the steepest since June 2023. This slowdown was partly attributed to inflationary pressures and a reluctance among clients to commit to new projects. Additionally, new export orders fell for the third consecutive month, with geopolitical issues contributing to the reduced overseas demand, S&P Global said in a media release.

Amidst declining production, the sector also saw a renewed reduction in employment. Staffing levels decreased for the first time in 2024, influenced by falling new orders and lower output requirements. As demand for inputs diminished, firms scaled back purchasing activity, resulting in a sixth consecutive monthly decline in input stocks. However, this reduction in pre-production inventories also reflected efforts to improve cash flow.

Despite the overall reduction in capacity, manufacturers managed to deplete backlogs of work for the twenty-third consecutive month, with the fastest pace of decline since April. A drop in input demand also led to a shortening of suppliers' delivery times for the first time in three months, marking the most significant improvement in vendor performance since February.

In contrast, inventories of finished goods increased for the second consecutive month in August. Some manufacturers used the spare capacity from reduced client demand to replenish stocks of finished products, while others noted unintended inventory accumulation.

The rate of input cost inflation surged to a 16-month high in August, surpassing the average levels seen before the COVID-19 pandemic. Rising costs for shipping, labour, and raw materials contributed to the inflationary pressures, resulting in a faster pace of output price increases, although this remained the second slowest in 2024 so far.

Looking ahead, firms remained cautiously optimistic about future output growth. While sentiment eased slightly from July, sales and marketing efforts were highlighted as key factors supporting this optimism. Some companies also anticipate a return to normal demand levels following the upcoming presidential election.

Chris Williamson, chief business economist at S&P Global Market Intelligence, said: “A further downward lurch in the PMI points to the manufacturing sector acting as an increased drag on the economy midway through the third quarter. Forward-looking indicators suggest this drag could intensify in the coming months.

Slower than expected sales are causing warehouses to fill with unsold stock, and a dearth of new orders has prompted factories to cut production for the first time since January. Producers are also reducing payroll numbers for the first time this year and buying fewer inputs amid concerns about excess capacity.

“The combination of falling orders and rising inventory sends the gloomiest forward-indication of production trends seen for one and a half years, and one of the most worrying signals witnessed since the global financial crisis. Although falling demand for raw materials has taken pressure off supply chains, rising wages and high shipping rates continue to be widely reported as factors pushing up input costs, which are now rising at the fastest pace since April of last year.”

Source: fibre2fashion.com– Sep 05, 2024

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Turkish GDP with chain-linked volume index up 2.5% YoY in Q2 2024

Turkiye's gross domestic product (GDP) with chain-linked volume index increased by 5.1 per cent year on year (YoY) last year and by 2.5 per cent YoY in the second quarter (Q2) this year, according to Turkish Statistical Institute (Turkstat).

GDP per capita was 311,109 TRY and $13,243 at current prices in 2023.

Seasonally- and calendar-adjusted GDP with chain-linked volume index increased by 0.1 per cent quarter on quarter (QoQ) and calendar-adjusted GDP increased by 2.8 per cent YoY in Q2 2024.

Exports of goods and services increased by 0.04 per cent YoY in Q2 2024 in the chained-linked volume index; such imports decreased by 5.7 per cent YoY.

In 2023, the Turkish manufacturing industry had the largest 19.5 per cent share of GDP, followed by wholesale and retail trade (13.9 per cent).

Exports of goods and services decreased by 2.8 per cent YoY, while such imports increased by 11.8 per cent YoY in 2023 in chain-linked volume index.

Source: fibre2fashion.com– Sep 05, 2024

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UK manufacturing sector recovery continues in Aug: S&P Global

The recovery in the UK manufacturing sector continued in August, with output, new orders and employment all recording an upward trend, according to S&P Global.

There were further signs of price pressures easing, as rates of inflation in input costs and selling prices both slowed.

The seasonally adjusted S&P Global UK manufacturing purchasing managers' index (PMI) rose to a 26-month high of 52.5 in August, up from 52.1 in July and unchanged from the earlier flash estimate.

The PMI has now signalled expansion in five out of the past six months (the exception being April).

Four of the PMI components—output, new orders, employment and suppliers' delivery times—stayed at levels consistent with an improvement in operating performance during August. In contrast, the stocks of purchases component signalled contraction for the twenty-third consecutive month.

UK manufacturing production increased for the fourth successive month in August, as companies raised output in response to rising new order intakes and efforts to clear previous contracts. The rate of expansion remained substantial and close to July's near two-and-a-half-year high, an S&P Global release said.

August saw the level of incoming new business also rise for the fourth month in a row. There were reports that better market sentiment and a move away from destocking at clients contributed to higher new work intakes.

The domestic market remained the principal spur of new contract wins, as new export orders decreased for the thirty-first consecutive month due to weaker demand from Europe, a slowdown in mainland China, freight delays, competitiveness issues caused by high shipping costs, global conflicts and political uncertainty.

The recent rebounds in output and new order volumes led to job creation at manufacturers. Back-to-back increases in employment have been registered in July and August, with the rate of growth the fastest in over two years during the latest survey month (best since July 2022).

Job creation was especially marked at large-scale producers, although small firms also saw a mild increase; job cuts were seen at medium-sized companies.

Increased capacity aided efforts to make further inroads into clearing backlogs of work. Outstanding business fell for the twenty-eighth month in a row, albeit to the weakest extent during that sequence.

The outlook for the UK manufacturing sector remained positive in August. Sixty-one per cent of companies forecast that production would be higher one year from now, compared to only 6 per cent anticipating a decline.

Positive sentiment was linked to new client wins, product launches, efforts to open up new markets, promotional activity and hopes for economic recovery.

Source: fibre2fashion.com– Sep 04, 2024

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ICE cotton prices climb amid strong demand & weather concerns

ICE cotton prices rose yesterday following the holiday on Monday, supported by increased demand inquiries, stronger agricultural commodities, and expected weather disturbances. However, external pressures were negative, with the dollar index rising and crude oil dropping more than 5 per cent. Equity markets also fell due to slower manufacturing activity. The US cotton market is increasingly focused on issues in key consumption countries.

Yesterday, the ICE cotton December contract hit a one-week high, settling at 70.50 cents per pound (0.453 kg) after reaching an intraday peak of 71.18 cents.

The stronger dollar made cotton more expensive for overseas buyers. Meanwhile, crude oil traded more than 5 per cent lower, reaching a nearly nine-month low due to a possible resolution in the Libyan oil production and export disruptions. Weak US manufacturing data also raised concerns about demand, limiting gains in cotton prices.

Trading volumes in the cotton market saw a notable increase, with approximately 39,568 lots traded yesterday compared to 23,633 on Friday. ICE data as of August 30 indicated that the deliverable No. 2 cotton contract inventory remained stable at 266 bales.

Weather concerns significantly influenced the market, with three tropical waves in the Atlantic and one nearing the Caribbean, potentially disrupting cotton production. Strong performance across most commodity markets also supported cotton prices.

The US Department of Agriculture's weekly crop report, released after market close, showed that 44 per cent of the US cotton crop was rated in good condition as of September 1, up from 40 per cent the previous week and significantly higher than the 31 per cent reported during the same period last year.

Traders are closely monitoring weather conditions in India and Pakistan, where recent rains and an expected decline in production may boost US cotton exports and support prices.

Currently, ICE cotton for December 2024 is trading at 69.76 cents per pound, down 0.74 cents. Cash cotton is at 66.26 cents (up 0.97 cents), the October contract at 70.76 cents (up 0.97 cents), the March 2025 contract at 71.52 cents (down 0.69 cents), the May 2025 contract at 72.71 cents (down 0.58 cents), and the July 2025 contract at 73.41 cents (down 0.58 cents). Several contracts remained unchanged with no trading activity today.

Source: fibre2fashion.com– Sep 04, 2024

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UK sees modest growth in retail sales in August

Total retail sales in the UK increased by 1 per cent year-on-year (YoY) in August, according to the British Retail Consortium (BRC). This represents a slowdown compared to the 4.1 per cent growth seen in August 2023. However, the performance was still above the three-month average growth rate of 0.4 per cent but fell short of the 12-month average growth rate of 1.2 per cent.

Non-food sales have faced ongoing challenges, with a YoY decrease of 1.7 per cent over the three months to August. This marks a significant decline compared to the 0.2 per cent drop in August 2023. Despite this, the recent figures are an improvement over the 12-month average decline of 2 per cent. For the month of August specifically, non-food sales continued to be in decline YoY.

In-store non-food sales have been particularly impacted, showing a 2.8 per cent decrease YoY over the three months to August. This is a sharp contrast to the 1.3 per cent growth experienced in August 2023 and falls below the 12-month average decline of 2.1 per cent.

On the other hand, online non-food sales presented a more optimistic picture, with a 1.5 per cent increase YoY in August. This compares favourably to the average decline of 1.7 per cent recorded in August 2023. The latest figures also surpass the three-month average increase of 0.3 per cent and the 12-month average decline of 1.8 per cent.

The online penetration rate for non-food items, which measures the proportion of these products bought online, rose slightly to 34.7 per cent in August, up from 34.1 per cent in August 2023. However, this is still below the 12-month average penetration rate of 36.3 per cent.

Helen Dickinson OBE, chief executive of the British Retail Consortium, said: “Sales growth picked up in August, particularly for summer clothing, as people prepared for trips away and summer social events.

“Following a difficult summer for much of retail, and the possible weakening of consumer spending as energy bills rise come October, many will be waiting for the Chancellor’s Autumn Budget before finalising their investment strategies. Labour’s first budget is a golden opportunity to make good on their manifesto commitment and fix the broken business rates system which is holding back investment in people, places, technology and limiting growth. Decisive action will benefit working people across the country."

Linda Ellett, UK head of consumer, retail and leisure, KPMG, said: "Despite summer finally making an appearance, and a slight uptick in consumer confidence, shoppers did not catch-up their spending during August, with total sales growth of only 1 per cent reflecting the challenging retail environment that is likely to dominate for the rest of this year. After many tough months of falling sales, sports and travel equipment enjoyed a welcome boost during this key summer holiday period, and sales of clothing also saw a second month of growth on the high street.

"Consumer sentiment is gradually starting to improve, but there still remains some nervousness around potential tax rises and the cost of putting the heating back on when the cooler weather arrives. The fragile nature of consumer confidence means shoppers will continue to be driven by price and value, moving from brand to brand to find the best price benefit and we are likely to see retailers using promotional activity to seek to win at this."

Source: fibre2fashion.com– Sep 04, 2024

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Consumers Still Love E-Commerce – Here's How the US Can Compete

Online shopping has been the stuff of wardrobe inspiration, late night impulse buys and time saving purchases for consumers around the world. While it stands to grow exponentially in the next five years, there are those who believe major change is necessary to help protect both the environment as well as traditional brands and retailers from certain e-commerce practices.

In 2019, the U.S. e-commerce market was valued at $539 billion, according to Statista. These numbers kept growing through the pandemic and continued upward despite recession fears, to the point it is estimated online shopping will generate $1.2 trillion in revenue in 2024. By 2029, U.S. e-commerce is forecasted to reach $1.9 trillion.

That all sounds like good news, so what's the glitch? As Statista points out, "The United States has always been dominated by domestic online retailers, but now, two foreign companies are taking on the U.S. market: Temu and Shein."

Along with other online retailers, the two China-based retailers have benefitted from the de minimis rule, which allows imports valued up to $800 per person per day to enter the U.S. free of tariffs.

"Changing or eliminating the de minimis rule may benefit traditional retailers that play by the traditional rules by leveling the playing field," said Jon Devine, senior economist in Cotton Incorporated's corporate strategy and program metrics division. "Traditional retailers that import through traditional channels pay the tariffs that were assigned to products.

"There are also significant environmental considerations," Devine continued. "The focus on cheap, potentially low-quality goods suggests that garments purchased through the de minimis channel will not be worn often and consumers will quickly look for the next trend. Low prices can encourage overconsumption. Transport for de minimis goods also comes with important environmental costs.

Data from Customs and Border Protection indicate that more than 90 percent of de minimis shipments arrive in the U.S. by air. Traditional imports aggregate large shipments on cargo ships, which can spread energy consumption over a wide collection of goods and therefore involve a relatively low environmental impact on a per item basis. In contrast, smaller shipments are delivered by plane to fulfill de minimis orders. This implies much higher environmental costs, particularly in terms of greenhouse gas emissions."

These factors no doubt have a growing impact, especially as more than half of all worldwide consumers (56 percent) say they buy more clothing online now than they have in the past several years, according to Cotton Incorporated 2023 Global Lifestyle Monitor™ Survey. Increasingly, consumers say they choose online clothes shopping for its convenience/ease (65 percent), prices (48 percent), selection/styles available (47 percent), fast shipping (41 percent), and ease of finding a size/fit (34 percent), according to Cotton Incorporated's 2023 Online Shopping Survey.

But industry experts say these conveniences come at a cost. Dr. Sheng Lu, professor at the University of Delaware's department of fashion and apparel studies, characterizes that the de minimis rule has provided a loophole that has become common practice. "For example, U.S. textile industry representatives argued that 'The loophole has not only fueled the rise of imports from foreign e-commerce companies and mass distributors, but it has also put our domestic manufacturers and workers at a competitive disadvantage.'"

Rachel Kibbe, CEO at American Circular Textiles, agreed that closing the de minimis threshold is a significant step towards addressing the impact of low-value imports on domestic industries.

"However, this measure alone is insufficient if not paired with dedicated funding aimed at reinvigorating U.S. manufacturing and advancing circularity," Kibbe told the Monitor™ in an interview. "This represents a rare and critical opportunity to drive transformative change in the U.S. textile sector—an opportunity that is uniquely important given the limited chances to secure substantial funding for such initiatives, a chance we missed with the Inflation Reduction Act (IRA) and the Infrastructure Investment and Jobs Act (IIJA)."

Consideration for such investment comes as Temu and Shein continue to increase competition. It's estimated Temu will reach $37 billion in annual sales this year, according to Backlinko, an SEO training and blog company. Currently, Temu has 50.4 million active users in the U.S., more than 167 million worldwide and claims 17 percent of the U.S. discount store category. Shein, meanwhile, has captured 50 percent of the U.S. fast-fashion market, according to Statista. It has about 89 million active shoppers, with 17 million in the U.S. Earlier this year, Shein was valued at $68 billion.

Devine said the business model for de minimis shippers is built on price. This drives a race to the bottom on cost, which can imply heavier use of fibers like polyester.

"However, an emphasis on price also reduces attention to quality," Devine said. "Goods bought from these retailers can have challenging return policies and may result in garments that are paid for but are seldom worn. In an economic environment where consumers are looking for value, low-cost items that aren't worn do not present a great deal for consumers, despite their low prices."

Consumers in the U.S. receive an average of seven packages a month from online retailers, three of which are apparel, according to the 2023 Online Shopping Survey. All told, shoppers bought an average of 27 clothing items online last year and returned just two garments to the retailer.

To help stem the flow of cheap fashion goods, it's worth noting that changes to de minimis rules and thresholds have already begun.

"South Africa implemented a ban early in 2024," Devine pointed out. "The EU is looking into it. In the U.S., there was a bill introduced in the House on de minimis shipments. Discussions surrounding the release of the bill highlighted how de minimis shipments circumvent legislation designed to reduce the importation of products made with forced labor and how de minimis shipments can allow deliveries of products that are harmful for consumers—like fentanyl. More recently, a bipartisan group of senators proposed a new law to limit de minimis shipments. It remains to be seen when these efforts will be implemented or become law."

Source: sourcingjournal.com– Sep 04, 2024

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Vietnam's manufacturing growth continues despite slower pace in August

Vietnam's manufacturing sector continued its robust performance in August, as indicated by the latest S&P Global Vietnam Manufacturing Purchasing Managers' Index (PMI). The PMI recorded a score of 52.4 in August, down from 54.7 in July, but still signalling a solid improvement in business conditions. This marks the fifth consecutive month of strengthening operating conditions, underscoring sustained growth in the sector.

Manufacturers in Vietnam reported further expansion in output and new orders midway through the third quarter. Although the growth rates moderated slightly from the near-record levels observed in July, they remained strong overall. This persistent demand prompted a notable increase in purchasing activity, marking the sharpest growth since May 2022. The strong performance was partly driven by stable prices, which helped firms secure new business, as well as improving international demand. Notably, new export orders rose for the fifth consecutive month, S&P Global said in a press release.

Despite the positive momentum, inflation pressures showed signs of easing. Both input costs and output prices continued to rise in August, but the rates of inflation slowed significantly from July, reaching the weakest levels in four months. Some manufacturers attributed this to competitive pressures, which tempered price increases, while others noted that lower oil prices helped reduce transportation costs.

In a less positive development, the sector experienced its first reduction in employment in three months. Manufacturers reported a decline in workforce numbers, citing resignations and the conclusion of temporary contracts. This reduction in employment occurred even as new business increased, resulting in continued accumulation of backlogs of work for the third consecutive month.

Despite the mixed signals, manufacturers remained optimistic about future output, expecting further improvements in customer demand and new orders. However, business sentiment dropped for the second month in a row and reached its lowest level since January.

Andrew Harker, economics director at S&P Global Market Intelligence, said: “As expected, the Vietnamese manufacturing sector saw a slowdown in growth of output and new orders from the particularly elevated rates seen in June and July. Those increases were always going to be hard to sustain and rates of expansion remained marked, so there is little cause for concern on that front. One issue firms are facing is a drop in employment, which is making completing projects more difficult and adding to outstanding business. We will hopefully see a return to job creation in the coming months.

“The news was better in terms of inflation, with both input costs and output prices rising at much weaker rates in August. In fact, this was reportedly a factor contributing to sustained new order growth. Overall, the sector continues to enjoy a strong second half of the year so far, with plenty of work to get through in the months ahead.”

Source: fibre2fashion.com– Sep 04, 2024

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Pakistan: Cotton production falls by 60pc in a year: PCGA

The latest cotton statistics released by the Pakistan Cotton Ginners Association (PCGA) till August 31, revealed a staggering 60% decline in cotton production, with total arrivals standing at 1,225,946 bales as of September 1, 2024, compared to 3,041,104 bales in the previous year.

Sajid Mahmood, Head of the Transfer of Technology Department at the Central Cotton Research Institute in Multan said that this significant drop is attributed to a combination of factors, including delayed sowing, extreme weather conditions, pest infestations, and a lack of government support for research and development.

In Punjab, production has decreased by 58%, with 452,855 bales produced compared to 1,068,796 bales last year, while Sindh has seen a 60% reduction, with 773,000 bales produced compared to 1,972,308 bales last year and Balochistan has produced 34,000 bales so far this year.

The decline in cotton production can be attributed to various factors, including a one-month delay in early sowing, prolonged heat waves in June and July causing fruit shedding, heavy rains in August, and infestations of whitefly and pink bollworm.

Furthermore, the reduction in cotton cultivation area can be attributed to the government's failure to announce a support price for cotton, the crop not being as profitable as other competitive crops, and farmers suffering losses due to artificially low prices caused by the middleman's monopoly in the market.

Source: brecorder.com– Sep 04, 2024

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Bangladesh's Garment Sector Grapples With More Unrest

Vandalism and violence in Bangladesh that drove almost 170 garment factories in the industrial areas of Ashulia, Savar and Gazipur to suspend production this week is being instigated by "outsiders" who are "trying to create chaos," the head of the country's apex trade group said on Wednesday.

"These outsiders are posing significant challenges to the smooth operation of factories," Khandoker Rafiqul Islam, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) told reporters at the organization's headquarters in Dhaka.

But the factories, buoyed by assurances of safety and security by law enforcement agencies, including the Bangladeshi army, will reopen Thursday morning, Islam said. He said that garment workers weren't involved in the demonstrations. Rather, they were trying to protect their facilities from the "jhut traders, political activists and other vested quarters."

"They are not only trying to destabilize the RMG sector, but to create instability throughout the country," said Abdullah Hil Rakib, senior vice president at the BGMEA and managing director at TEAM Group, using an acronym for ready-made garments. "When factories manage to fend off one group of outsiders, large numbers often arrive to launch follow-up attacks, leading to factory closures."

Islam similarly hit out at what he characterized as baseless accusations against BGMEA office bearers, including those named in a case filed over the weekend on behalf of a rickshaw driver who was shot in the face during the anti-discrimination movement.

"The case alleges involvement in a serious incident during a student protest, naming several BGMEA leaders who have no connection to the events in question," he wrote in an emailed statement. "These accusations are unfounded and seem to be a deliberate attempt to damage the reputations of individuals who have no political affiliations and are committed to ethical business practices."

This isn't the first time BGMEA officials have been linked to a crime. SM Mannan Kochi, who helmed the trade group for five months before stepping down in late August in favor of Islam, citing the need for long-term medical treatment, is the subject of several complaints, including one for murder, according to local media. Kochi also served as general secretary of the Awami League's Dhaka City North arm, a fact that has led a group of BGMEA members to accuse his faction of rigging the March elections that awarded it with a clean sweep. Faisal Samad, managing director of Savartex Group and a former BGMEA vice president who ran against Kochi, is among those calling for a dissolution of the current board.

The renewed trouble for Bangladesh's economic tentpole, which accounts for nearly 85 percent of its $55 billion in annual exports, comes amid a fragile transition period for the South Asian nation, whose interim government is still struggling to restore some semblance of stability after former prime minister Sheikh Hasina's unexpected flight following escalating protests over the then-ruling Awami League's increasingly autocratic rule last month.

Hasina's increasingly deadly crackdowns on civilians, many of them students who originally challenged the renewal of quotas in public-sector jobs, included nationwide curfews and a lengthy communications blackout that garment makers say cost them $150 million a day in lost business. Recent monsoon floods that disrupted import-export activities at Bangladesh's already congested ports have further drawn out delays, which many fear could imperil future orders from international brands and retailers whose confidence in the country's ability to deliver is already on marshy ground.

And as members of the Bangladesh Nationalist Party and what remains of the Awami League jostle for power, garment workers continue to be caught in the middle, insiders say.

"It seems very political," one garment manufacturer told Sourcing Journal. "We're hoping within the next day or two things will be resolved. That's really the focus of this moment."

Another factory executive, who likewise asked not to be named for fear of backlash, blamed members of the Ansar, a paramilitary auxiliary force that has been seeking the nationalization of its position.

"You might know some groups always try to catch fish in troubled waters," the person said. "They chose the time of interim government for that as they thought it was an opportune moment to pressure the transition government."

Another issue is that 15 years of the Awami League's "dictator regime" has left behind too many grievances and too few meaningful outlets for redress, said M. Azizul Islam, professor of sustainability accounting and transparency at the University of Aberdeen Business School. This includes garment workers, who took to the streets last year to demand a minimum wage that could meet the demands of spiraling inflation.

"The central problem is every deprived person is seeking justice without understanding the capacity of government and industry at the moment," Islam said. "Workers were deprived of their rights by the autocratic regime for the past 17 years. Now when they see [there is an] interim government, their expectation on this government to fix labor issues, including their wages, is high." Local media reported this week that some of the disputes involved workers demanding a 10 percent annual increase in pay, a higher food allowance, attendance bonuses and the recruitment of more male employees. Others centered on the restoration of lost jobs.

But some of the demands are so "illogical" that they must be coming from outside groups who "don't want the peace of the sector and the country," said Mohiuddin Rubel, a BGMEA director and an additional managing director at Denim Expert. Wages for July have been paid in full, he noted, and Bangladesh's central bank has agreed to provide a soft loan to help factory owners pay workers' salaries for August. At the same time, if factories cannot stay open, no amount of soft loans will help, he added.

"We believe that our chief advisor is an internationally acclaimed person, so we are hopeful that his expert participation shall improve the economic situation of the business with the U.S.A. and the European Union largely," Rubel said of Muhammad Yunus, the Nobel laureate who has been tasked with getting Bangladesh back on track. "But if the situation of the country persists, it will be challenging to regain the original state. So the most important call is to improve the law and order situation right away, which we trust the government will overcome soon."

Source: sourcingjournal.com– Sep 04, 2024

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NATIONAL NEWS

India's textile industry expected to grow to US$350 bn by 2030 and add 3.5 crore jobs: Shri Giriraj Singh

India's textile industry is expected to grow to US$350 bn by 2030 and add 3.5 crore jobs. This was stated by Union Minister of Textiles, Shri Giriraj Singh during the Curtain Raiser event of 'Bharat Tex 2025' today in New Delhi. He further expressed hope of India being recognised by its 'Bharat' brand and green sustainable textile products at the world stage. Union Minister of State for Textiles and External Affairs, Shri Pabitra Margherita, Textiles Secretary, Ms. Rachna Shah and other senior officials of the Ministry also graced the event.

Shri Singh asserted that the Union Government's PLI scheme for textiles will enable the apparel industry to boost production and promote their branding. The Minister also added that the PLI scheme will enable linking of the textile value chain and lure FDI in the country.

Shri Singh emphasised that the Indian demographic dividend will aid India's growth ahead of China and urged the state governments to equally participate in the event. "With innovation, collaboration, and the Make in India spirit at its core, this event is an embodiment of the 5F vision of the Hon'ble Prime Minister- Farm to Fibre to Factory to Fashion to Foreign", he added.

Bharat Tex 2025 is a global textiles event being organised by a consortium of Textile Export Promotion Councils (EPCs) and supported by the Ministry of Textiles. Scheduled to be held from February 14-17, 2025 BHARAT TEX 2025 is positioned as a global scale textile trade fair and knowledge platform.

The event will be held simultaneously at two state-of-the-art venues, of Bharat Mandapam, New Delhi and India Expo Centre and Mart, Greater Noida. While the main event will be held from February 14-17, 2025 at the Bharat Mandapam and will cover the entire value chain of textiles, exhibitions pertaining to handicrafts, garment machinery, ethnic apparel will be exhibited from February 12-15, 2025 at the India Expo Centre and Mart, Greater Noida.

Bharat Tex 2025 aims to build on the resounding success of the last edition in 2024. Built around the twin themes of resilient global value chains and textile sustainability, this year's show promises to be even more vibrant and attractive than the first edition, attracting top policymakers, global CEOs, international exhibitors and global buyers.

Spanning 200,000 square meters, the event will host over 5,000 Exhibitors, 6,000 international buyers from over 110 countries and over 1, 20,000 visitors are expected to participate in this year's event. Around 100 international speakers are also going to participate in the event.

The Bharat Tex exhibition will feature Apparel, Home Furnishings, Floor Coverings, Fibres, Yarns, Threads, Fabrics, Carpets, Silk, Textiles based Handicrafts, Technical Textiles and many more. It will also have a retail High Street focusing on India's fashion retail market opportunities. Besides, exhibitions on handicrafts and apparel machinery, displays of ethnic wear shall be hosted at the sister venue of India Expo Centre and Mart, Greater Noida.

The textile extravaganza will offer a range of activities, a global sized trade fair and expo, a global scale textiles conference, seminars, CEO roundtables, and B2B and G2G meetings. It will also feature strategic investment announcements, product launches, and collaborations poised to reshape the global textile industry. Attendees can look forward to live demonstrations, cultural events, and fashion presentations, designer and brand exhibitions and sustainability workshops, and expert talks.

The curtain raiser event for Bharat Tex 2025 drew a distinguished gathering of industry associations, textile sector leaders, and senior officials from various ministries. More information about Bharat Tex 2024 Expo available at www.bharat-tex.com

Source: pib.gov.in– Sep 04, 2024

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CRISIL expects India's GDP growth to moderate to 6.8% in FY25

Indian rating agency CRISIL expects gross domestic product (GDP) growth to moderate to 6.8 per cent this fiscal (FY25) after a high growth of 8.2 per cent in the last, weighed down by high interest rates and low fiscal impulse.

It expects India to log the fastest growth among major economies and fare better than 6.7-per cent growth seen in the decade preceding the pandemic.

On a positive note, last year's laggards—agriculture and consumption—are poised to rise. Rural demand is expected to drive consumption, CRISIL, an S&P Global company, said in a recent macroeconomics report.

India's GDP growth slowed in line with expectations: at 6.7 per cent year on year (YoY) in the first quarter (Q1) of FY25, in line with CRISIL's forecast of 6.8 per cent.

The economy expanded at 7.8 per cent in Q4 FY24 and at 8.2 per cent in Q1 FY24. Nominal GDP moderated as well to 9.7 per cent in Q1 FY25 from 9.9 per cent in Q4 FY24, but was higher than 8.5 per cent in the year-ago quarter.

Decline in government consumption spending was a drag on GDP growth. And reducing growth in net taxes limited the rise in GDP over gross value added (GVA) growth. Also, despite healthy growth of 7 per cent, manufacturing was slower than in Q4 FY24. Non-agriculture growth rose to 7.6 per cent in Q1 FY25 from 7.3 per cent in Q4 FY24.

After a weak FY24, private consumption picked up significantly in Q1 FY25. A large part of the increase in consumer demand was owing to improving rural conditions.

Also, growth in fixed investments accelerated despite low government capital expenditure, indicating other private investments have gathered steam.

Source: fibre2fashion.com– Sep 04, 2024

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World Bank's advice to India to reconsider RCEP stance flawed: GTRI

Think tank Global Trade Research Initiative (GTRI) Wednesday said that the World Bank's suggestion for India to reconsider joining Regional Comprehensive Economic Partnership (RCEP) is based on flawed assumptions and outdated projections.

For developing countries like India, policy decisions must be rooted in real-world data and a thorough understanding of the long-term implications, it said. This comes a day after the World Bank in its India Development Update said India should reconsider its position on the RCEP.

The rising trade deficits among RCEP members and the over-reliance on China-centric supply chains underscore the importance of a cautious, well-researched approach, GTRI said.

"India's decision not to join the RCEP was strategically sound and the core concerns that led India to opt out of RCEP in 2019 remain valid and have only been reinforced by subsequent developments," it said.

India had exited the RCEP in 2019 after its concerns related to high trade deficit with China remained unmet despite entering negotiations in 2013. The RCEP bloc comprises 10 Asean group members (Brunei, Cambodia, Indonesia, Malaysia, Myanmar, Singapore, Thailand, the Philippines, Laos and Vietnam) and their six free trade agreement (FTA) partners - China, Japan, South Korea, Australia and New Zealand.

India already has several functional FTAs with 13 out of 15 RCEP members, except New Zealand and China so the "gains from RCEP were likely to be incremental at best, especially given China's opaque trade practices and its history of flooding markets with subsidized goods".

Negotiations with New Zealand stalled due to concerns over the dairy sector, and with China, India has a limited trade agreement under the Asia-Pacific Trade Agreement (APTA).

India's defict with China exceeded US$ 85 billion in FY24.

“If India had joined RCEP, the deficit would have been much worse due to zero tariff imports,” said Ajay Srivastava, co-founder, GTRI, adding that the RCEP gains to China over others will increase as full concessions take place and the economic benefits of the pact are disproportionately skewed toward China, further validating India’s apprehensions about unfair competition.

As per the report, India’s non-participation in RCEP proved insightful when the Covid-19 pandemic exposed the vulnerabilities of overreliance on China-centric supply chains. The global shift toward “China Plus One” strategies highlights the risk of depending heavily on a single country for critical supply chains, it said.

“The World Bank should focus on thorough, data-based analysis that considers the specific challenges and economic conditions of developing countries before offering solutions based solely on economic models, which should be just one factor,” GTRI said, adding that only then will their recommendations truly support sustainable growth and fair trade for all.

Source: economictimes.com– Sep 04, 2024

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India losing to smaller rivals in manufacturing, World Bank says

India's global trade share hasn't kept pace with its fast growing economy, and the country is losing out to rivals like Bangladesh and Vietnam as low-cost manufacturing export hubs, the World Bank said.

India's trade in goods and services has been declining as a percentage of gross domestic product over the past decade despite its economic heft, the multilateral lender said in a report on Tuesday.

The country's share in global exports of apparel, leather, textiles, and footwear grew from 0.9% in 2002 to a peak of 4.5% in 2013, but has since declined to 3.5% in 2022, according to the World Bank. In contrast, Bangladesh's share in global exports of these goods reached 5.1%, while Vietnam's stood at 5.9% in 2022.

To boost exports and benefit from China's shift away from labor-intensive manufacturing, India will need to lower trade costs, reduce tariff and non-tariff barriers and revise trade pacts, the lender said. "This is an area where India could focus on," Nora Dihel, a senior economist at the World Bank, told reporters in New Delhi. "This is a call to action."

Prime Minister Narendra Modi's ambition is to make India a manufacturing hub as businesses diversify their supply chains from China. Modi's government has spent billions of dollars in subsidies to attract investment in industries such as electronics and chip-making.

India's export sectors are increasingly capital intensive, though, and unable to absorb the millions of jobless people in the country. The World Bank estimated that direct employment related to exports fell from a peak of 9.5% of total domestic employment in 2012 to 6.5% in 2020.

The World Bank expects India's economy to continue growing at a rapid pace of 7% in the current fiscal year through March 2025 after expanding more than 8% in the past year. Growth will probably average 6.7% in 2025-26 and 2026-27, the lender said.

Source: economictimes.com– Sep 04, 2024

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PLI expansion for textiles, pharma, solar PV on the cards

The government is actively considering expansion of the Production Linked Incentive (PLI) scheme for textiles, pharmaceuticals and solar PV (photovoltaic) sectors by including more products that would be eligible for sops and extension of the scheme period by one year for all three sectors, sources have said.

“The Cabinet notes proposing the expansion of lists for PLI schemes for textiles, pharmaceuticals and solar PV and extending the scheme period by a year has already been sent to the PMO and the Cabinet Secretariat. Once it gets a nod at the highest level, the Cabinet notes will be put before the Cabinet for approval,” an official tracking the matter told businessline.

The idea behind the expansion of the PLI scheme to more products under the identified sectors is to ensure higher investments, production and optimum utilisation of the scheme outlay.

Uneven progress

The PLI scheme, announced with an outlay of ₹1.97 lakh crore in 2021 to promote domestic manufacturing and attract investments in strategic sectors, has not moved at an even pace for all 14 sectors covered under it.

While the scheme has worked best for the mobile manufacturing sector and is showing promise for sectors such as electronics, telecom and food processing, for some others, including textiles and solar PVs, things are slower.

Since its launch, the PLI scheme has attracted investments of ₹1.5 lakh crore, resulting in the production of goods worth about ₹10 lakh crore and the disbursement of incentives worth ₹10,000 crore.

“Overall, if you go by total disbursement of incentives, things are going slow. But the investments already committed under the scheme and the production taking place is promising.

The expansion of existing schemes, wherever needed, will ensure more investments, production and exports,” the source said.

Textiles sector

In the textiles sector, while the original scheme announced with an outlay of ₹10,683 crore, is restricted to MMF (man-made fibre) apparel, MMF fabrics and products of technical textiles, the proposal is now to extend it to garments made of all materials including cotton.

“It is being hoped that once the PLI scheme is extended to cotton garments, it will attract a lot more domestic investors in addition to foreign investors,” the source said.

Similarly, in pharmaceuticals and solar PVs, more items have been proposed by the respective Ministries for better utilisation of the outlay.

“While the period of implementation of the scheme and claiming of incentives, based on incremental turnover and investments, is five years, the proposal being considered is to extend it by one year for all three identified sectors. If more products are added, it is logical that more implementation time would be needed,” the source said.

Other sectors included under PLI are medical devices, automobiles & components, speciality steel, white goods, ACC batteries, and drones & components.

Source: thehindubusinessline.com– Sep 04, 2024

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Kasturi Cotton redefines Indian cotton with enhanced quality

In a groundbreaking move, Kasturi Cotton is transforming the landscape of the Indian cotton industry by setting a new benchmark for quality and transparency. Through a rigorous specification-based standard, Kasturi Cotton delivers a consistently superior product that stands out for its softness, strength, and cleanliness. This innovation promises to elevate the standards of home textiles and apparel, ensuring that finished products are of the highest caliber.

Central to Kasturi Cotton's strategy is its cutting-edge blockchain traceability platform. This technology provides 100% authenticity and transparency of the cotton's journey from the farm to the final product. Stakeholders, including consumers, can trace the cotton's path through every stage of production, fostering trust and accountability. The platform is designed to adapt to evolving regulations, ensuring that it meets both current and future requirements of the global supply chain.

Kasturi Cotton's commitment extends beyond product quality to include sustainability and education. The company collaborates with Indian Farmer Producer Organizations (FPOs) to enhance awareness among farmers about best practices and sustainable farming techniques.

By partnering with the Better Cotton Initiative, Kasturi Cotton ensures that its products meet stringent sustainability criteria while maintaining the high standards of Kasturi Cotton. This initiative is complemented by similar partnerships with Regenagri Cotton and Organic Cotton, broadening the scope of sustainable cotton offerings.

Since its inception, the Kasturi Cotton program has made a remarkable impact on the Indian cotton industry. It has successfully shifted perceptions of Indian cotton, highlighting its potential for excellence. Early adopters of Kasturi Cotton, including major industry players such as Trident Group, Arvind Ltd., Indo Count, and Vardhman, have reported significant benefits. These companies have experienced enhanced operational efficiencies, reduced turnaround times, and superior quality outputs, underscoring the program's effectiveness in delivering high-quality cotton.

Encouraged by these positive responses, Kasturi Cotton is exploring opportunities to further expand its offerings. Plans are underway to introduce new variations, besides the current 29 mm and 30 mm staple lengths, consisting of Extra Long Staple (ELS) cotton with fiber lengths of 31 mm and beyond. This expansion aims to cater to the growing demand for luxury cotton products, adding a new dimension to the brand.

The emphasis on superior quality, environmental responsibility, and comprehensive traceability positions Kasturi Cotton as a premier choice for brands and consumers worldwide. As the program continues to evolve, it is set to redefine the standards of Indian cotton and strengthen its global presence. With its innovative approach and commitment to excellence, Kasturi Cotton is poised to become a leading force in the international cotton market, offering products that meet the highest standards of quality and sustainability.

Source: fibre2fashion.com– Sep 05, 2024

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GST Council meeting: E-invoice mandate may soon cover B2C transactions

Businesses across the country may soon be required to issue electronic invoices, or e-invoices, directly to consumers for the sale of goods and services.

The Goods and Services Tax (GST) Council, in its forthcoming meeting on Monday, is expected to discuss extending the e-invoicing mandate to cover business-to-consumer (B2C) transactions. Currently, e-invoicing is compulsory for businesses with a turnover of Rs 5 crore and above, but only for their business-to-business (B2B) transactions.

"A pilot project may be proposed to introduce voluntary e-invoicing in selected sectors, in collaboration with states willing to participate," a government official familiar with the plan told Business Standard. The move aims to curb tax evasion and enhance compliance in consumer transactions.

The GST Council's law committee is learnt to be working on bringing enabling provisions in the GST law. Upon approval, the GST Network (GSTN) will need to be upgraded to accommodate this change, including the development and finalisation of the required commercial model.

The pilot programme is expected to provide the tax department with insights into the feasibility and potential impact of implementing B2C e-invoicing within the Indian context. According to sources, the tax department believes that extending e-invoicing to B2C transactions could yield multiple benefits for taxpayers, consumers, and tax administrators alike.

Among the anticipated advantages are environmental sustainability, through reduced paper usage, and lower transaction costs, which would enhance cost efficiency for businesses. Additionally, consumers would be able to verify the authenticity of their bills relatively easily, besides paving the way for GST refunds for foreign tourists in the future.

Once the Council approves the plan, the threshold for mandatory e-invoicing may be examined in line with the criteria for B2B transactions. However, any such adjustment would likely occur later, as the initial phase will be voluntary, another official explained.

The implementation of e-invoicing for B2B transactions had been progressively rolled out under the GST law. In October 2020, businesses with a turnover exceeding Rs 500 crore were first mandated to issue e-invoices. This requirement was later extended to companies with turnover above Rs 100 crore from January 1, 2021. By April 1, 2021, the threshold was reduced to Rs 50 crore, and further lowered to Rs 20 crore a year later. On October 1, 2022, businesses with turnover above Rs 10 crore were also brought under the e-invoicing regime. Most recently, from August 1, 2023, the threshold was set at Rs 5 crore.

Despite this phased implementation, challenges remain, particularly for businesses with turnovers between Rs 5-10 crore, according to officials. Tax authorities have reportedly been urging non-compliant businesses to meet the e-invoicing requirements.

Source: business-standard.com– Sep 04, 2024

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Global apparel deals flowing into India amid Bangladesh crisis

The Tiruppur knitwear export hub has swung export orders worth ₹450 crore in the last two weeks from Bangladesh in the wake of the political unrest there. Global brands like KiK from Germany, Zeeman from Netherlands, and Pepco of Poland, among others, placed orders to be delivered before the Christmas and New Year and the average price of the garment ordered is to the tune of $3, said KM Subramanian, president of Tiruppur Exporters' Association (TEA).

Tiruppur has got orders for knitted garments like kids wear, nightwear, tops and pyjamas from these global brands in the last fortnight. "This sort of a thing has not happened before. The global brands place orders in December-January for spring/fall season demand and during June-July for Christmas and New Year demand," added the TEA president.

The Noida Apparel Export Cluster (NAEC) too received 15% more orders from Zara in the last month compared to the same period last year. Zara wants to buy women's tops and dresses at a price ranging between $5-$9, said Lalit Thukral, president, of NAEC. "The brand has asked us to deliver the order within 60 days. These are fresh orders which are unusual at this time of the year," he said.

A Sakthivel, head of the southern region of Apparel Export Promotion Council said Tiruppur has received fresh orders from global brands as some of them have diverted orders from Bangladesh to India.

"But if there had been a free trade agreement between India and the EU, we would have seen more orders flowing in from the global brands. The sooner the government clinches an FTA with the EU, we will be able to grab more orders. Bangladesh has an FTA with the EU, which is helping them a lot."

Subramanian said global brands have chosen 10 new knitwear factories in Tiruppur where they have started social auditing. "The auditing signals that global brands will have more orders for Tiruppur. The auditing will be completed by the third week of September and if these factories comply with global standards, Tiruppur will get more orders in the New Year."

India exported $14.5 billion worth of apparel in FY24. In the first quarter of FY25 India's readymade garment exports were $3.9 billion, compared to Bangladesh's $9.7 billion.

Bangladesh's readymade garment exports in the last fiscal (FY24) were around 3.2 times of India's, but during the first quarter (Q1) of this fiscal (FY25), this ratio narrowed down to around 2.5 times, reflecting India eating into the demand for apparel from Bangladesh, according to CareEdge Ratings.

Apart from the impact of socio-political upheavals in Bangladesh, this was also aided by various initiatives to enhance the competitiveness of Indian ready made garment exports, the rating agency noted.

Media reports said the Indian government has halted The India-Bangladesh Friendship Pipeline (IBFP) construction project in the wake of the political instability in Bangladesh. Diesel is important for Bangladesh's textile industry and may impact ready-made garment production in the neighbouring nation, said a veteran apparel exporter, who did not want to be named.

Source: economictimes.com– Sep 05, 2024

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'Tamil Nadu's New Textile Policy will be aligned with Tiruppur's primacy in value-chain'

The new textile policy of Tamil Nadu will be aligned to strengthen Tiruppur's high standing in value-chain in apparel business, Dharmendra Pratap Yadav, Principal Secretary, Handlooms, Handicrafts, Textiles and Khadi Department, said here on Wednesday.

With service sector accounting for 65% of the State's GDP, the challenge was in enlarging the contribution of manufacturing sector since it was employment oriented next only to agriculture, Mr. Yadav said.

Accompanied by District Collector T. Christuraj, the Principal Secretary inaugurated the 51st India International Knit Fair organised jointly by the Indian Knit Fair Association (IKFA) and the Apparel Export Promotion Council (AEPC), a three-day event on the theme: Preserving Our Planet by Innovation and Circularity.

Mr. Yadav expressed hope that Tiruppur, accounting for ₹35,000 crore export business and ₹25,000 crore domestic trade, will take the lead in ESG (Environment and Social Governance), and attract more investments in the garment sector which contributes to women empowerment with them accounting for 80% workforce.

Talking to mediapersons later, the Principal Secretary was said the spinning sector in Tamil Nadu, which constitutes 35% production at the national level, requires modernisation, and the State Government has set apart ₹500 crore corpus to offer 6% interest subvention for industries undertaking modernisation of machinery.

The State Government has given a push to technical textiles, and for scaling up exports in the industrial policy.

A corpus of ₹25 crore has been earmarked for a design centre to focus on research and development in new ways of manufacturing and processing in line with international trends, he said.

A. Sakthivel, Chairman, Indian Knit Fair Association, said 40 out of the 100 buying houses/agents taking part at the fair were from other countries.

The Tiruppur Exporters' Association was keen on projecting its initiatives towards 'Green Tiruppur', Mr. Sakthivel said, exuding hope that the government will consider their request for measures to make improvements in Tiruppur in the area of ESG

K.M. Subramanian, president, TEA, was hopeful of registering a 10 percentage point rise in diversification to man-made fibres (MMF) by Tiruppur manufacturers from the existing 20.

The emphasis of Rohit Aneja, secretary, Association of NIFT (National Institute of Fashion Technology) Alumni; Rohini Suri, patron, IKFA; and Sanjay Shukla, group leader - Triburg, was on speedy diversification of Tiruppur garment manufacturers to man-made fibres.

Seventy percent of the global trade was in MMF, and cracking the polyster game will place Tiruppur and the country on the right track of development, Mr. Shukla said.

Source: thehindu.com– Sep 04, 2024

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