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INTERNAL NEWS

Japan’s textile and apparel exports decline by 26 per cent in May

As per Japan Textiles Exporters Association based on Ministry of Finance trade statistics, the value of Japan’s textiles and apparel (T&A) exports dropped by 26 per cent in May 2020 compared to the same month of last year to $441.46 million.

The country’s exports of textile fibers, yarns and woven and knitted fabrics also decreased, while exports of nonwoven fabrics increased in volume but decreased in value.

Japan’s textile fibers exports in May declined 41 per cent in volume to 10,792 ton. Exports of rayon staple fiber dropped 77 per cent, along with those of acrylic staple fiber 55 per cent. Though the country’s exports of polyester staple fiber grew by 16 per cent quantitatively but decreased by 2 per cent in value.

Japan’s yarn exports fell 41 per cent in volume to 5,443 tonne, with those of rayon filament yarn declining by 60 per cent, nylon filament yarn by 40 per cent and polyester filament yarn by 30 per cent. Export of woven and knitted fabrics also dropped 28 per cent to 46.93 million sq. mt.

Exports of nylon filament fabrics decreased by 17 per cent to 5.92 million sq. mt. while those of polyester filament fabrics dropped by 25 per cent to 13.34 million square meters.

By destination, Japan’s exports to East Asia declined by 23 per cent to $328.26 million while exports to China dropped by 22 per cent to $147.12 million. The country’s exports to Vietnam also declined by 18 per cent to $61.44 million.

Source: fashionatingworld.com– Jul 22, 2020

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www.texprocil.org
JC Penney Q1 FY20: sales $1,082 mn; net loss $546 mn

JC Penney, a US-based apparel and home retailer company, posted 55.6 per cent decline in its net sales to $1,082 million in first quarter(Q1) fiscal 2020 that ended on May 2, 2020, compared to sales of $2,439 million in the same period last year. Company incurred a net loss of $546 million (Q1 FY19: $154 million) during the reported quarter.

Selling, general and administrative expenses for the quarter were $572 million ($856 million). Company reported an operating loss of $477 million ($93 million).

Sales of women’s apparel during Q1 FY20 fell to $216 million ($515 million). Men’s apparel and accessories sales dropped to $213 million ($478 million). Women’s accessories, including Sephora came down to $170 million ($377 million). Sales of Home category were $145 million ($305 million). Footwear and handbags sales slipped to $117 million ($256 million).

Source: fibre2fashion.com– Jul 22, 2020

Walmart Canada to invest $3.5 bn for growth

Walmart Canada has announced a major $3.5 billion investment over the next five years aimed to generate significant growth and to make the online and in-store shopping experience simpler, faster and more convenient for its customers. The investment will also create hundreds of Canadian jobs and forge new partnerships with Canadian technology companies.

The investment will impact every aspect of the business leading to a faster e-commerce experience, two new distribution centres to speed up the flow of products, re-invented and "smarter" stores, an enhanced omni experience and modern digital tools to ensure associates can best serve customers.

"As Walmart Canada's business grows – especially with grocery and e-commerce picking up significant momentum – Walmart will not compromise on offering the everyday low prices customers trust – both online and in-store," the company said.
The $3.5 billion new investments are in addition to over $1 billion invested into remodelling and opening stores over the past five years. The investment will be used for renovating over 150 stores over the next three years – over one-third of the store network. It will also help in accelerating digitisation to create "smarter stores".

Walmart Canada will also accelerate the omni offering for customers and create thousands of new omni associate jobs by expanding the full "Walmart Pickup" offering to approximately 270 stores – or 70 per cent of locations – by end of 2020. It will pilot "hybrid locations" – supercentres with "micro fulfilment centres" in their backroom to increase the speed of fulfilment for pickup and delivery. It will also invest in new technology to accelerate the pickup experience, including advanced notification, and improve fulfilment centre operations to increase speed and trackability.

An amount of $1.1 billion would be invested towards building two new distribution centres in Vaughan, ON and Surrey, BC, and in renovating an existing distribution centre in Cornwall, ON, creating hundreds of construction jobs.

In addition, the company will ramp up capacity in its distribution centre system through new leading-edge technologies.

"Millions of customers choose to shop with us in-store and online every day – and that's a tremendous honour," said Horacio Barbeito, president and CEO, Walmart Canada. "Today's significant investment will position us for future growth and make Walmart Canada even better for our associates and our customers. We are doubling down on our focus on the customer experience – not just to keep up but to lead and to be the very best in Canada."

"We need to do everything we can to delight our customer every single time they choose to shop with us, whether it's online or in the store. We're challenging ourselves to be better and be relentlessly focused on excellent omni customer service and experience," said Sam Wankowski, chief operations officer, Walmart Canada. "This means better stores, quicker service and doing what Walmart does best – focusing on customers, always at Walmart's everyday low prices."

"The retail business is as dynamic as ever and this investment ensures we're developing a supply chain that is the envy of the world. The better the supply chain, the quicker our customers can get the products they want. This
investment will transform our supply chain and create hundreds of Canadian construction jobs along the way," said John Bayliss, senior vice president, Logistics and Supply Chain, Walmart Canada.

Source: fibre2fashion.com— Jul 22, 2020

Tailored Brands to reduce headcount, close stores

US-based Tailored Brands, an omni-channel specialty retailer of menswear, recently announced a series of operating and organisational changes because of the unprecedented business disruptions resulting from the novel coronavirus pandemic. The changes will reduce nearly a fifth of its corporate positions by the end of this fiscal’s second quarter.

In addition, the company has identified up to 500 retail stores for potential closure as well as associated opportunities to reduce and realign its store organisation and supply chain infrastructure and organisation to best serve its go-forward store footprint and e-commerce business, it said in a press release.

These changes are designed to strengthen the company’s financial position and enable it to compete more effectively in the challenging retail environment.

“We are confident these are the right next steps to protect our business and position us to more effectively compete in today’s environment,” said Tailored Brands president and chief executive officer Dinesh Lathi.

Jack Calandra, executive vice president, chief financial officer and treasurer, will leave Tailored Brands on July 31. In the near term, Calandra’s responsibilities will be divided between Lathi and Holly Etlin, a managing director at AlixPartners, who has been appointed to the newly created role of chief restructuring officer, reporting directly to Lathi.

Source: fibre2fashion.com— Jul 22, 2020
Pakistan: ‘Duty drawback right of exporters’

Adviser to Prime Minister on Commerce and Investment Abdul Razak Dawood has emphasised that duty drawback was neither an incentive nor a subsidy, rather it was an established right of exporters, which should be calculated and assessed to reflect the cost borne on goods export.

Chairing a meeting on the issue of duty drawback at the Ministry of Commerce, Dawood stressed that duty drawback was an essential part of international trade, which was covered under the World Trade Organisation (WTO) rules as well as laws of the country. The adviser was briefed on the progress on the duty drawback rates’ recalculation exercise. The Ministry of Commerce had earlier selected 11 sectors for recalculation, out of which revised rates of duty drawback have been duly notified for three sectors, which included leather hides, plastic goods and carpets.

Recalculation work for the remaining eight sectors is in final stages and will be finalised shortly.


Pakistan: Dialogue on textile & garment sector

Last week SDPI (the Sustainable Development Policy Institute) organised a “Consultative Dialogue on Textile & Garment Sector Outlook Amid Covid-19” through webinar, between the government, the World Bank (WB) and industry stakeholders. One must compliment Dr Vaqar Ahmed on his timely efforts and the way he successfully managed the whole event.

The WB presentation and recommendations were well-researched, the private sector came prepared and contributed by highlighting some pertinent issues and especially Ms Batool from the FBR was very impressive in her knowledge of the industry and adopting a proactive stance; Her understanding, being up to date, patience, and a remarkably positive attitude to honestly addressing the genuine problems of the businesses involved must be lauded.
While there were a lot of positives to take home vis-a-vis situation assessment, difficulties post COVID-19 and the long-term way forward, one felt that there needed to be more emphasis on the short-term, meaning post COVID-19. Where exactly does this industry stand today, what sort of existential threats it faces and what precisely needs to be done “now” to ensure that it remains sustainable and does not get eroded by global competition—the immediate term solutions.

The WB recommendations, understandably so, focused more on future long-term strategy and how this industry needs to change to become productive going forward, however, the problem is immediate where quite a few of the present issues are primarily COVID-19 related and therefore also need to be addressed now (right away), that is if the industry is to survive or not shrink significantly. One was hoping to elaborate more on this aspect in the questions and answers session, but regrettably, the webinar never came to that, since time ran out!

Some realities: Pakistan’s two main international markets in textiles and garments are the European Union (EU) and the US. Take these two out and almost 75 percent of the total exports stutter (directly or indirectly) and nearly 50 percent of the capacity shuts down since like it or not, 75 percent of the installed capacity at home is export based.

Unfortunately, with consumption in the EU and the US collapsing, the lack of demand has resulted in industry closures not just in Pakistan, but also in competing countries like Bangladesh, India, China, Vietnam, Myanmar and others. The Pakistani textile industry accounts for nearly 67 percent of national exports, 12 percent of GDP and 40 percent of industrial employment, so it is imperative that it gets back on its feet with all cylinders firing, sooner rather than later.

To make this happen, we must understand that the recent global developments subsequently lead to two important phenomenon that have either already happened or are about to grip us very soon: One, as markets normalise, the competition is going to be even more fierce than before, because these countries will be eager to regain or improve upon their previously-held market shares and two, some countries will simply lose out owing to their government’s mistake that it did not support its respective industry during this interim period, which means that when the times comes, that country will simply not have the operational capacity anymore to get to its previous level.
So what precisely is required at this juncture? This takes us back to my opening observation that prudence requires that the government at present should ‘only’ be focusing on the short term, whereas, the long term can wait for now. This is the time to ensure that companies survive so that their infrastructure and the production installations do not get dismantled and they are in a position to restore the supply chain when the time comes. And the only way the government can do this is by making sure that these businesses stay liquid. Unfortunately, this is where our government’s efforts are falling short. In fact, on the contrary, the recent measures and the budget announcement work towards the very opposite.

A cursory look around us and we see wage and furlough sharing schemes, direct support measures like outright cash grants to SME in some countries, reduction or waiving or deferring of taxes and levy contributions like social security, etc. are just some of the measures that others have taken and in comparison just put our efforts in this regard to shame. Only two come to mind, the SBP (State Bank of Pakistan) wage loan scheme and the mere announcement of moratorium on LTF’s principal amount. Also, at a time when these companies need cash, the stubbornness on maintaining the current unsustainable sales tax regime belies all logic. To tangibly help these companies, one would have liked to see either the restoration of zero-rating or at least the reduction of sales tax to 5 percent.

The 250 billion (figure though is disputable) the government claims to have collected under this head in 2019-20 from the previously zero-rated sectors, even if true, is not only unlikely to be replicated this year, but in present times a lower rate is perhaps the only logical way to generate any significant revenue from this head without damaging the national exporting apparatus.

At a time when it is necessary to provide the much-needed liquidity to our exporting companies, such levies instead act as a heavy toll on their working capital cycle by blocking almost 8/9 months (in most cases) of their total deployed capital.

What are the others doing—some comparisons: Make no mistake that this is the period to just survive and any product developments in these times are in overall terms going to be at best miniscule. Any delusions about quickly shifting to medical exports like PPEs, anti-microbial, etc. are ill-founded, as the process entails a long and time-consuming process of product development, compliances, certifications and trials, which can take at least 1 to 2 years, if successful. Implying that the need right now is to play to the strengths that we already have. This means ensuring competitiveness
in our current exportable mix that is largely dependent on three inputs: Electricity, gas, financial cost and levies like sales tax.

Now electricity in Bangladesh to the exporting sector is today available at 6 cents, in India 8c, Myanmar 0.44c and in Europe itself at 1.80c, whereas, in Pakistan a big uncertainty looms, where the companies still do not know whether or not the previous tariff of 7.5c will be maintained or not and if increased, then to what.

Why would western markets pay for our power inefficiencies? Similarly, gas in Bangladesh to the exporting industry is costing around $4.93/MMBtu, in India $3.23/MMBtu, in Myanmar $1/MMBtu and in Europe itself at $1.6/MMBtu—again the same question.

The sales tax slab in Bangladesh is 15 percent with a guaranteed 30-day refund through the auspices of the central bank, in Vietnam 10 percent, in Taiwan 5 percent, and in Myanmar it is simply zero rating. Cotton prices today in India are on average 15/20 percent less than what are prevalent here in Pakistan. The comparisons in labor costs (after accounting for productivity) and finance costs tell a similar story.

To conclude, no one is saying that the Pakistani government should dole out cash to the exporting firms, but merely that it should resort to prudent policy measures that create an enabling environment for the Pakistani export manufacturers to survive during these extremely challenging times.

One totally understands and perhaps even sympathises with the constraints the government faces due to COVID-19, but make no mistake that this is not the time to resort to coercive revenue collections, otherwise policymakers will just be playing with the very future of Pakistani exports.

Vietnamese firm's revenue may drop due to US development

RTW Retailwinds, owner of 400 New York & Co stores in 32 US states, filed for bankruptcy recently and will likely close all its stores. This is expected to affect the revenues of Vietnam’s Song Hong Garment JSC, whose largest partner is the US-based firm. Song Hong Garment shareholders and investors have voiced concerns over its earnings prospects this year.

RTW Retailwinds reported revenue in 2019 dropped 7 per cent year on year to $827 million and recorded a net loss of $61.6 million. In 2018, it reported a profit of $4.2 million.

All liabilities in 2019 RTW Retailwinds owed to Song Hong Garment are reportedly already settled.

The liabilities so far in 2020 are worth 220 billion VND ($9.5 million) and if RTW Retailwinds’ bankruptcy proposal is approved, Song Hong Garment will lose that income, according to Vietnamese media reports. In the first-quarter financial report, Song Hong Garment said liabilities owed by New York & Co were worth 166 billion VND.

“The company is working to join the bankruptcy proceedings to claim its liabilities owed by New York & Co,” Song Hong Garment said in a filing to the Ho Chi Minh Stock Exchange on July 17.

According to Song Hong Garment JSC, the company’s operation will not be affected by the bankruptcy, but in the short term, earnings will be dampened as revenue from RTW Retailwinds often accounts for a large proportion of its total.

“Revenue from New York & Co accounted for 13 per cent of Song Hong Garment’s total revenue in 2019,” the company said in the filing.

The local garment firm expects total revenue in 2020 would drop 27 per cent year on year to 3.2 trillion VND and pre-tax profit would dive 54 per cent year on year to 250 billion VND.

Source: fibre2fashion.com– Jul 22, 2020
Bangladesh: Steading the ship

Bangladesh has, for far too long, relied on a singular export sector

The Covid-19 pandemic has, on top of wreaking havoc on the lives of people in every corner of the planet, also devastated economies. Bangladesh has been no different, and the early months of the lockdown period during the pandemic saw a devastating fall in exports, with global buyers canceling or delaying orders.

To that end, as Western nations slowly but surely start opening up, there has been a subsequent increase in exports, and the economy looks to be moving in the right direction once again, which is extremely encouraging to witness. However, there is little reason to celebrate just yet; despite exports steadily climbing since the month of May -- there is every reason to believe that this upward trend could halt at any moment, especially given the volatile condition of our own country with regards to stopping the spread of the virus.

Experts have rightfully pointed out that in order to sustain the economic turnaround and ensure that exports continue to increase, it is absolutely vital that Bangladesh fare much better in combating the spread of the coronavirus, in order to ensure buyers that Bangladesh remains a safe, viable destination for doing business with.

Bangladesh has also, for far too long, relied on a singular export sector -- RMG products -- and the effects of this failure to diversify our export basket was sharply felt when orders were being cancelled and we had no other sector to rely on to compensate for the losses the RMG sector was suffering.

Additionally, the pandemic has also sharply brought to light business practices and policies that are outdated and inefficient -- Bangladesh has long suffered due to its policies being unfavourable towards businesses, as its ease of doing business rankings show every year.

Make no mistake about it, Covid-19 is far from over, especially here in Bangladesh. If we are to keep our lofty ambitions, we must control the spread of the virus, while simultaneously investing in diversifying our export basket by exploring new opportunities and sectors and enacting favourable business policies to create a better environment for buyers and investors.

Source: dhakatribune.com - Jul 22, 2020
Pakistan: Cotton growers likely to suffer due to heavy rains, whitefly attack

Growers and farmers are fearing a loss in cotton crop owing to expected heavy monsoon rains, high temperature and whitefly attack.

Farmer Jam Safdar Samija of village Multaniwala said he was sure to have a bumper cotton crop at the end of year but his crop was attacked by whitefly. He said in the market quality pesticide to combat whitefly attack is not available easily. He said high temperature is conducive atmosphere for whitefly to play havoc with crops. He said unpredictable weather would damage their crops. According to agriculture scientists, July is a critical time for setting bolls for earliness in cotton and most cotton begins blooming in early July and blooms through August.

It is important to ensure that adequate moisture and fertility are available to set a good crop in the first two-four weeks of bloom, they added.

Growers say much of the crop in southern Punjab cotton growing districts has entered into the bloom cycle and will be approaching peak bloom within the next few weeks to a month. They underlined the need for development of climate resistant seed varieties. Kissan Committee central leader Malik Iqbal said the peak bloom also often coincides with the onset of monsoon season but the government lacked any planning.

He said high moisture levels in the atmosphere can lead to high nighttime temperatures, causing the plant to encounter heat stress. This may lead to aborted fruiting forms, typically in very young one-to three-day-old bolls, he said. He underlined the need for aggressive planning to save the crop.

The scientists say the research has shown that level-2 heat stress experienced by the crop over a period of several days may result in significant fruit shed, particularly if the heat stress coincides with the peak bloom crop development stage.

Talking to reporters, Pakistan Kissan Ittehad chairman Chaudhry Muhammad Anwar said the government has failed in getting desired results of pesticide applications on cotton crops. The mafia involved in fake pesticide has manufactured adulterated pesticides. He said widespread attack of whitefly and Jassid could be averted due to proper use of pesticide but quality pesticides was not available in the market.
He said the cash crop cotton passes through five development phases to mature but the government had tackled cotton phases in a non-serious manner. He said there is no planning in handling five cotton development phases including germination and emergence, seedling establishment, leaf area and canopy development, flowering and boll development.

He said the transitions between these stages are not always sharp and clear. Each stage may also have different physiological processes operating within specific requirements. If producers are aware of these stage-dependent differences in cotton growth and requirements, then many problems in crop management can be avoided, which will result in higher yields and profits.

Maintaining a balance between vegetative and reproductive growth will help to optimize earliness and preserve yield and fiber quality potential. Irrigation initiation and timing play dominant roles in this balance, he said. The Central Cotton Research Institute Director Dr Zahid Mehmood says the government is fully aware to protect the cotton crop from losses and pest attacks.

He said growers should remain in contact with agriculture experts for best crop management. The farmers should focus upon best crop management for better yield. He said the growers should apply only recommended pesticides. He said the CCRI has already launched a Tele Cotton Service and registered farmers can get useful updates, guidance directly on their mobile phones. The TCS is providing Phutti rates, weather conditions, cotton diseases and pests, cotton varieties and other technical information. The TCS first requires registration then growers would be able to get information through text messages on a regular basis, he added.

Source: thenews.com.pk - Jul 22, 2020
NATIONAL NEWS

Despite differences, India and US trying to seal preferential trade deal

India and the US are trying to seal a bilateral preferential trade agreement that will include a limited number of goods and services, but market access for dairy products, medical devices and ICT products like mobile phones demanded by Washington remain sticky issues, an official said.

Commerce and Industry Minister Piyush Goyal said on Tuesday that both countries were close to a trade deal that may include 50-100 goods and services.

The attempt being made by the two countries to carve out a preferential trade pact follows the direction given by US President Donald Trump and Prime Minister Narendra Modi earlier this year, during Trump’s India visit, as a full-fledged free trade agreement (FTA) seemed elusive due to differences over a large number of issues. The US is India’s top trading partner accounting for $88.74 billion in bilateral trade in 2019-20.

“Although the scope of the bilateral trade agreement now being worked out between the US and India has been narrowed down considerably, differences still remain over items both side want to be included in the pact,” the official said.

Washington, for instance, is continuing to demand market access for dairy products and urging India to be flexible on its stringent norms of not allowing items derived from animals fed on bovine extracts.

“The US is also insistent that import duties on mobile phones and certain other ICT products be removed or lowered. While India has expressed its willingness to consider doing it for high-end items, the US believes it is not enough,” the official said.

Medical device is another area where American companies want greater market access. “While earlier the main issue was price caps imposed by India on a number of medical devices, now the US is also unhappy that India imposed health cess on imported medical devices in this year’s Union Budget,” the official said.
While India is ready to oblige the US by lowering duties for less sensitive items such as motorcycles (given Trump’s long-standing demand of cutting import cess on Harley-Davidsons), it finds it difficult to move on sensitive products such as dairy and medical devices.

**India’s demands**

New Delhi, on the other hand, wants the US to cut duties on steel, give greater market access for labour-intensive items and restore the Generalised System of Preferences scheme under which more than 3,000 items from India were allowed duty-free/low duty access into the US market.

Trump and Modi decided in February this year that while the two countries could sign a limited deal now, the full-fledged FTA involving almost all trade items and other areas of liberalisation such as investments, government procurement, intellectual property and e-commerce could come later.

The Trump regime is looking at a trade pact with India as a way to lower the trade deficit with the country which has been a sticking issue between the two countries and has led Washington to impose unilateral tariffs on India’s steel and aluminium exports to the country and withdraw the GSP scheme.

India, however, maintains that it is doing its bit in reducing the trade deficit by buying more American products including oil and gas. India’s trade surplus with the US has reduced from $24 billion in 2016 to $20 billion now, according to Indian officials.

Source: thehindubusinessline.com– Jul 22, 2020
No restrictions on export of medical grade garments

Here is some good news for medical grade garment manufacturers. The Centre has excluded surgical drapes, isolation aprons, surgical wraps and x-ray gowns from the list of items restricted from exports.

A notification has been issued by the directorate general of foreign trade (DGFT), stating that from July 21 these four items have been removed from the restricted list. However, medical and surgical masks, medical goggles, medical nitrile gloves and face shields will remain in the prohibited exports category. The manufacturers of exempted items are a happy lot, but the PPE suit makers are now demanding that the government also permit them to export their products without restrictions. PPE suit exports are subject to quota system.

Welcoming the development, Adish Gupta, a manufacturer of surgical aprons from Sunder Nagar, said, “This is a ray of hope for manufacturers like us, as export of all these items was banned some time ago due to fear of shortage in India in the wake of Covid-19 outbreak. Allowing export will boost our business, as local demand for these products was affected by the entry of new players. At present, there is a huge demand for aprons, drapes and gowns in global markets and Indian products have low rates and good quality.”

Namit Kapoor, a gown manufacturer, said he was thankful to the government as opening the export would not only benefit the manufacturers but also give the country foreign exchange. “Moreover, due to the pandemic, the local demand had become high initially, but then took a hit as markets were flooded with the products. So, export is the only option to survive,” he added.

Demanding lifting of restrictions from export of PPE suits, Vinod Thapar, chairman of Knitwear Club, said, “We are not against the government allowing the unrestricted export of surgical drapes, isolation aprons, surgical wraps and x-ray gowns. But the government must treat PPE suit manufacturers on a par and lift restrictions and lengthy procedures for filing application for export quota.”

Source: timesofindia.com– Jul 23, 2020
Data | Why India's trade surplus in June is not a good sign

The marginal surplus came at a time when there was a steeper drop in imports compared to exports.

On July 15, Union Commerce Minister Piyush Goyal tweeted that India had recorded a trade surplus in June for the first time in 18 years. A trade surplus occurs when the value of exports exceeds that of imports.

The surplus came at a time when there was a sharp fall in total trade. This was mainly because of a steeper fall in imports compared to that of exports, triggered by a major drop in domestic demand largely due to the pandemic.

Trade history

The chart shows India's total trade (blue bar) and trade balance (exports-imports, in red) between June 2019 and June 2020. Total trade declined after January and was the lowest in April before picking up in May and June. Trade deficit reduced consistently from January and recorded a surplus in June.

The country recorded a trade surplus of $793 million in June, after registering a deficit of $3.1 billion in May.
Selling less

The chart shows the monthly import and export values since June 2019. Both imports and exports (in absolute terms) declined steeply in April during the lockdown. While both exports and imports improved in May, imports contracted yet again in June due to tepid demand in the economy, which led to the trade surplus.

In May, the country’s total exports were valued at $19 billion, while imports were worth $22 billion, over $1 billion more than that in June.

The chart plots the value (in $) of major commodities exported in the April-June quarter (Q1) of FY21 against its change (%) compared to Q1 of FY20. The exports of only four commodities grew.

Commodity-wise imports

The chart plots the value (in $) of major commodities imported in the April-June quarter (Q1) of FY21 against its change (%) compared to Q1 of FY20. Imports of all listed commodities declined.

Source: thehindu.com – Jul 22, 2020
India opens new routes to strengthen trade ties with Bangladesh, Bhutan

In a bid to boost its economic and connectivity linkages with its neighbours, India in recent days has opened two new routes for trade with its key neighbours Bangladesh and Bhutan.

Responding to a request from the Royal Government of Bhutan, New Delhi opened a new trade route under the Jaigaon Land Customs Station last week. The new trade route is through Ahllay near Pasakha in southeastern Bhutan, two people familiar with the matter said adding that it was opened on 15 July.

“This new land route for movement of industrial raw materials and goods destined for Pasakha Industrial Estate will boost bilateral trade and commerce and lead to decongestion of vehicular traffic along the Jaigaon - Phuentsholing route," one of the people cited above said.

Trade between India and Bhutan through the Jaigaon-Phuentsholing border trade point amounts to approximately ₹6,000 crores annually. Bhutan’s trade with countries other than India through this border trade point is an additional ₹1,400 crores annually. This trade point caters to around 75% of the overall trade between the two countries and around 74% of Bhutan’s overall trade with the world, the person cited above said.

The India-Bhutan Agreement on Trade, Commerce and Transit which was last renewed in 2016 allows for free trade and commerce between India and Bhutan and the pact provides for about 21 entry or exit trade points between India and landlocked Bhutan. This includes 10 trade points with Land Customs Stations (LCS) at the Indo-Bhutan border. Bhutan uses some of these to trade with third countries.

Besides the new trade point, India is also looking at fast tracking a railway link between Mujnai in West Bengal and Nyoenpaling in Bhutan. India’s Railways Ministry has already started a feasibility study on the link, the second person cited above said. India’s Land Ports Authority has also identified Jaigaon, in Alipurduar District of West Bengal, for development of an Integrated Check Post to cater to railway link once established.
On it part, Bhutan has requested to notify Jitti-Nagrakata LCS as a permanent station as it was notified as a seasonal one in 2013 for trade in three crops namely only – ie orange, ginger and cardamom. Bhutan made the request mainly to facilitate export of boulders and river bed materials to India and Bangladesh particularly since Bhutanese exporters were finding it difficult to export these through the nearest Permanent LCS at the Loksan-Bhimtar crossing due to high transportation costs and restrictions on load capacity over river bridges on the route.

Bhutan is India’s closest partner and India will continue to positively engage with Bhutan in an effort to boost trade between the two countries, through enhanced connectivity, among others,” the first person cited above said.

“These efforts will further have a positive effect on the trade growth with North Eastern States of India,” the person added.

In another development, last week India flagged off the first trial of container ship from Kolkata to Agartala through Chattogram port of Bangladesh. This is the outcome of a pact signed by the two countries on coastal shipping in 2015 and another in October 2018 on the use of Chittagong and Mongla Ports for trans-shipment of goods to and from India. During the visit of Bangladesh Prime Minister Sheikh Hasina to India in October 2019, both sides had welcomed the conclusion of Standard Operating Procedures for the use of Chattogram and Mongla ports for movement of goods to and from India, particularly to and from India’s North East, creating a “win-win” situation for both countries.

Eight routes have been provided under the 2019 pact which will enable access of India’s northeastern region via Bangladesh. The routes identified include Chattogram or Mongla Port to Agartala in Tripura via Akhura, Chattogram or Mongla Port to Dawki in Meghalaya via Tamabil, Chattogram or Mongla Port to Sutarkandi in Assam via Sheola and Chattogram or Mongla Port to Srimantpur in Tripura via Bibirbazar.

For India, the use of the Bangladesh ports would cut the time required for transportation by allowing three landlocked northeastern Indian states access open sea trade routes from Chattogram and Mongla ports via Indian ports. For Bangladesh, the spinoffs come in the form of job creation, boosting prospects for investment in the logistics sector, supply chain integration and promotion of business services like finance, transportation and insurance, says industry representatives.
Government to revamp FTA strategy to ensure economic benefits

The government is recalibrating its strategy on entering into free trade agreements (FTAs) in a bid to ensure that the treaties provide economic and strategic benefits. Separately, the focus is on alliances with “peaceful” countries, especially those with which India does not have a significant trade deficit.

Discussions have begun at the highest level with finance minister Nirmala Sitharaman, commerce and industry minister Piyush Goyal and chairman of the Economic Advisory Council to Prime Minister (EAC-PM) Bibek Debroy leading the deliberations on a revamped strategy.

The three of them met on Monday, which coincided with external affairs minister S Jaishankar’s statement that FTAs haven’t helped India build capacity. “I think there are ways of engaging the world which do not necessarily have to be FTA-centric,” the minister said at an event.

There is expected to be greater thrust to FTAs with Australia and the European Union, with the UK and the US among countries with which India will engage more aggressively, while recognising that there is no need to rush into a deal.
Goyal has already indicated a keenness to rework the agreements with Asean and Japan, as imports are seen to have gained more than exports due to a sharp reduction in tariffs. At the same time, India was expected to benefit more on the services front, with software professionals and nurses getting easy access to markets such as Japan, Singapore, South Korea and Malaysia.

Off late, Singapore has been a miser in giving out fresh visas, citing domestic issues, while Japan has denied access to Indian nurses, pointing out a lack of language skills. What has also complicated matters is the presence of Chinese companies in Asean countries, which use the benefit of lower tariffs to route goods into India.

In any case, the government suspects that some Chinese goods are merely repackaged in a few of the FTA countries and shipped to India without any value addition.

The finance ministry also has concerns over loss of revenue due to the trade agreements. Besides, these countries have been reluctant to address India’s concerns, prompting the government to review the treaties amid suggestions that some of them should be terminated. Going forward, sources indicated, India will harden its stance and ensure that its companies are equal partners in the trade deals.

Source: timesofindia.com– Jul 22, 2020

Organic Cotton and Sustainable Fashion

The cotton landscape of the world today is dominated by GM cotton. Organic cotton forms only 0.7 per cent of the total global cotton production. However, with growing global concerns over sustainability and pollution, more organisations are beginning to turn to organic cotton for manufacturing textiles and apparel.

There is a significant growth in organic cotton consumption in kidswear, denim, casuals, womenswear and home textiles. As the demand seems to be rising, many international brands are joining the bandwagon.
Presently, India is the leading producer of organic cotton fibres in the world and contributes around 47 per cent, followed by China (21 per cent) and Kyrgyzstan (12 per cent). India is also leading in terms of acreage of land under organic cotton cultivation and the number of farmers’ and producers' groups engaged in it (Textile Exchange report, 2019).

India has a vast repository of natural seeds and a heritage worth mentioning that gave the world organic cotton around 3000 BCE. Post-independence, hybrids and chemical fertilisers were introduced to boost production. GM cotton was introduced in India in 2002, promising higher yields and greater returns. However, the scenario has changed with time and there is a gradual movement among farmers to switch back to indigenous varieties.

**What is organic cotton farming?**

Organic cotton farming is the process of growing cotton completely free of any chemical application of pesticides, fertilisers and herbicides. It starts with soil regenerative practices, promotes multi-cropping, which diminishes the situation for nutrition and food scarcity, and provides an alternative source of income.

It does not pose any threat to human health, cattle or the environment. It represents an alternative method of farming that is safe and self-sustainable. It uses many natural plant growth techniques like the use of mulch and compost as fertilisers, intercropping for weeds control and crop rotation for soil nutrition and moisture retention management.

**Organic cotton vs GM cotton**

Cotton is a cash crop. Conventional cotton farming uses GM seeds that promise high yield throughout the year. Thus, it has led to mono-cropping in most states in India. This situation has resulted in the rise of food insecurity, degradation of soil, water and environment, upsetting the entire eco-system consisting of farmers, their families and cattle (Greenpeace, 2015). The World Health Organisation has declared that chemicals used to boost production from GM varieties are 'probably carcinogenic'.

GM cotton requires excess water and consumes about 2.6 per cent of the total water used across the globe. It yields the best under well-irrigated conditions. India is primarily a rain-fed economy and most parts are water-challenged. Only Punjab and Haryana are 90 per cent irrigated. Thus, the
yield per hectare is much less than expected in most of the cotton-producing states.

C&A, the Belgian-German-Dutch chain of fast-fashion retail clothing stores, along with Water Footprint Network studied 480 cotton-producing farmlands in India in 2013 and suggested that conventional cotton pollutes about 200 times more than organic cotton.

The GM seeds use terminator technology and can be sown only once. The input costs are extremely high considering the cost of the seeds, chemical fertilizers and irrigation facilities required for a successful production. In contrast, the input costs for organic farming are very low. Indigenous seeds are sold at a minimal price of ₹30 per kg and can be conserved for the next sowing season (Textile Exchange, 2015).

A technical report by the International Trade Centre (ITC) in Geneva in 2011 projected that the seasonal surface temperature in India would increase by 20°C- 40°C by 2050s, with a reduced number of days of rainfall, severe droughts and floods in places like Gujarat and Rajasthan due to excessive groundwater depletion and environmental distress. India's Central Institute of Cotton Research (CICR) found in 2015 that selected indigenous cotton varieties will not only well adapt to such drastic climatic conditions, but will also enhance farm productivity.

In this scenario, a shift towards organic cotton farming is highly desirable.

Organic cotton and fashion

Cotton is the most widely used natural fibre that generates livelihood for millions and touches the lives of billions in the form of textiles. Therefore, it may be positioned as a symbol of prosperity and sustainability.

Organic cotton fibres are used in personal hygiene products like sanitary products, cotton puffs, ear swabs, make-up removal pads, fabrics, home furnishings, kids' products, and different types of apparel.

A forecast based on a primary survey of Indian fashion retailers conducted by Textile Exchange in 2014 predicted an increased demand by 2025 for specific categories of products like denim, T-shirts, pants, shirtings, bedsheets, towels and other home furnishing materials. These products primarily require short and medium staple length fibres and the Indian indigenous cotton varieties have the required staple length compared to
hybrid and GM varieties. The short-staple fibres also possess high absorbent properties, and therefore, most suitable for medical purposes.

Due to rising awareness among consumers and retailers, several Indian and international fashion brands have gone the organic way and adopted a cleaner and greener apparel production process.


Many leading global designers like Katherine Hamnett and brands and retailers like Walmart, Harrods, Marks & Spencer and Coop Switzerland have successfully introduced organic cotton apparel lines that offer them an edge over competitors. Thus, it is a positive sign that the fashion and textile industry wants to reduce its adverse impact on the environment by adopting more sustainable ways that will help influence and reshape the future of global fashion.

Source: fibre2fashion.com– Jul 22, 2020

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Government begins reviewing existing FTAs in effort to cut down cheap imports

The Centre is in the process of reviewing its existing foreign trade agreements (FTA) as it is looking to curb cheap imports and promote domestic production.

According to sources, there was a meeting on Tuesday between the commerce Ministry, finance ministry and the Prime Minister’s Office to examine the merits of existing foreign trade agreements.
“The commerce ministry is of the view that not all FTAs are beneficial for India. In fact, some of the FTAs are one-sided and had a negative impact. It is high time that this should be reviewed and put in perspective. The meeting discussed all these issues at length. In the coming days, many actions will be visible,” a senior commerce ministry official said.

Last month, in an internal presentation made by the Department for Promotion of Industry and Internal Trade (DPIIT), the commerce ministry had proposed entering into FTAs and mining agreements with resource-rich countries in Latin America, Africa and Europe, at least with those who would help India get raw material, better market access and aligned to its ‘go local’ policy.

Currently, India has close to 50 trade agreements, most of which are with Asian countries, leading to dumping of cheap imports. “But our apprehension is that a larger wave of cheap imports is in the offing and unless we take steps, these would hurt domestic production,” officials said.

The development comes even as India is negotiating an FTA with the US. Commerce and industry minister Piyush Goyal on Tuesday also said that India and the US are “almost there” in closing a “quick trade deal” and would look at a preferential trade agreement (PTA) with 50 to 100 items before moving to an FTA.

*Almost there on India-US trade deal: Goyal*

Speaking at the virtual UIBC India Ideas Summit, commerce minister Piyush Goyal said that the two countries were “some pending matters”, built up over the last couple of years, which needed to be gotton out of the way quickly. “We are almost there,” he said.

Source: newindianexpress.com– Jul 22, 2020
Amazon, Flipkart, Snapdeal others must ensure display of country of origin: Centre to Delhi High Court

E-commerce sites like Amazon, Flipkart and Snapdeal have to ensure that the country of origin is displayed on imported products sold on their platforms, the Centre told the Delhi High Court on Wednesday.

The submission was made in an affidavit placed before a bench of Chief Justice D N Patel and Justice Prateek Jalan by the central government which said that according to the Legal Metrology Act and Rules e-commerce sites have to ensure country of origin is displayed on the “digital and electronic network used for e-commerce transactions”.

The affidavit, filed through central government standing counsel Ajay Digpaul, also stated that enforcement of the rules was the responsibility of the states and union territories. Digpaul said that whenever any violation is observed, action is taken by the legal metrology officials of the concerned state or union territory in accordance with law.

“The necessary advisory/ direction to all e-commerce entities with a copy to the Controller of Legal Metrology of all States/UTs have been issued to ensure the compliance of the provisions of the Act and Rules,” the affidavit has said.

The affidavit has been filed in response to a PIL seeking directions to the Centre to ensure that the name of the manufacturing country is displayed on products being sold on e-commerce sites. The plea by a lawyer, Amit Shukla, has sought implementation of the Legal Metrology Act 2009 and the rules framed under it which mandate that country of origin has to be displayed on products being sold on e-commerce websites.

The petition has claimed that the mandate was not being enforced with respect to e-commerce entities. It has contended that enforcement of the mandate was important in the current scenario when citizens intend to comply with the central government’s appeal to promote and purchase Indian goods and not from some neighbouring countries.

Therefore, it was essential that the country of origin is displayed on products being sold on e-commerce platforms, the petition has said.

Source: financialexpress.com– Jul 22, 2020

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India and Sri Lanka to explore new areas of economic partnership including infra & connectivity

Infrastructure, energy, connectivity, IT, agriculture, manufacturing, pharmaceuticals, tourism, and education could emerge as new areas of collaboration between India and its Southern neighbour Sri Lanka. This was suggested by India’s envoy to Colombo at a high-powered business meet.

High Commissioner of India to Sri Lanka, Gopal Baglay spoke at a virtual event titled “Deepening Economic Collaboration between India and Sri Lanka” on Tuesday. This event was organized by the Federation of Indian Chambers of Commerce and Industry (FICCI) in association with the Lakshman Kadirgamar Institute of International Relations and Strategic Studies (LKIIRSS).

Secretary, Ministry of Foreign Affairs, Ambassador Ravinatha Aryasinha and the President of FICCI, Dr. Sangita Reddy participated in the event apart from other senior office-bearers from FICCI, LKIIRSS, and representatives from the Sri Lankan Board of Investment, Tourism Promotion Board, and the Institute of Nanotechnology.

Baglay spoke about the dynamic and comprehensive ties between India and Sri Lanka and underlined the need to further expand the wide-ranging bilateral cooperation to effectively and expeditiously address the unprecedented challenges created by the COVID-19 pandemic.

He observed that today’s situation calls for policies oriented to the future that balance the need for economic security with the efficient utilization of complementary economic strengths of our two countries.

The High Commissioner outlined a few promising areas for such collaboration such as infrastructure, energy, connectivity, IT, agriculture, manufacturing, pharmaceuticals, tourism, and education. He also mentioned that sustained engagement in these and other mutually beneficial areas will thrive in an encouraging and enabling environment, underpinned by a consistent and predictable policy outlook.

He added that building more comprehensive long-term ties between our commercial entities will enhance capacity, promote employment, and increase prosperity.
Aryasinha spoke about the importance of economic recovery in context of the overall challenge posed by COVID-19 and mentioned that both sides could draw upon past successes and the ongoing cooperation to build a way forward. He also highlighted the various opportunities for investment by Indian companies in Sri Lanka.

Industry participants from both sides highlighted opportunities in a number of sectors such as pharmaceuticals, agriculture, manufacturing, connectivity, tourism, and science and technology. It was agreed that sectoral action points will be followed up vigorously.

Sri Lanka has long been a priority destination for direct investment from India. Sri Lanka is one of India’s largest trading partner in SAARC. Trade between the two countries grew particularly rapidly after the entry into force of the India-Sri Lanka Free Trade Agreement in March 2000. According to Sri Lankan Customs, bilateral trade in 2018 amounted to US $ 4.93 billion. Exports from India to Sri Lanka in 2018 were US$ 4.16billion, while exports from Sri Lanka to India are US$ 767 million.

The main items of exports from Sri Lanka to India are: Base Oil, Poultry feeds, Areca nuts, (waste and scrap) paper or paperboard, Pepper, Ignition Wiring Sets, Copper wire, Marble, travertine and alabaster. Main items of Imports from India to Sri Lanka are: Gas oil/ Diesel, Motorcycles, Pharmaceutical Products, Portland cement, Semi finished products of Iron, Military weapon, Fuel oil, Rice, Cement clinkers, Kerosene Type jet Fuel. India is one of the largest investors in Sri Lanka with cumulative investments of around USD 1.239 billion.

The investments are in diverse areas including petroleum retail, IT, financial services, real estate, telecommunication, hospitality & tourism, banking and food processing (tea & fruit juices), copper and other metal industries), tires, cement, glass manufacturing, and infrastructure development (railway, power, water supply).

Last few years have also witnessed an increasing trend of Sri Lankan investments into India. Significant examples include Brandix (about $ 1 billion to set up a garment city in Visakhapatnam), MAS holdings, John Keels, Hayley’s, and Aitken Spence (Hotels), apart from other investments in the freight servicing and logistics sector. There are healthy linkages between the business chambers of the two countries. Various Indian Chambers have signed MOU’s with Sri Lankan Chambers to promote trade and economic relations, investments between India and Sri-Lanka. Indian
Chambers also participate extensively in the various trade fairs organized in Sri Lanka.

Sri Lanka is among the major recipients of development assistance from the Government of India. India’s overall commitment stands close to $3 billion, out of which around $560 million are purely in grants.

Source: economictimes.com – Jul 22, 2020

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**Good news for UP! Over half a dozen Japanese companies keen to invest in Uttar Pradesh**

At a time the country is witnessing a prolonged investment famine, more than half a dozen Japanese companies have evinced interest in making new investments in Uttar Pradesh, including Miyachi Corp and Tokachi Corp, official sources said here.

The investment proposals include developing five fish hatcheries in the state with high-end technology, putting up a 100 MW solar park for irrigation as well as setting up an agri processing park, these sources added.

These proposals came forth in a video conference interaction between Uttar Pradesh MSME, Investment and Export Promotion Minister Siddharth Nath Singh and the Japanese companies here on Tuesday. The conference was also attended by the Indian ambassador to Japan Sanjay Verma.

The UP government is hard-selling to the potential investors its GIS-mapped 1 lakh acres of land available in different parts of the country, as well as its vast network of expressways and air connectivity, which is being bolstered.

Speaking to FE, Singh said that the interaction was part of the Uttar Pradesh government’s initiative to woo multinational companies of various countries which are keen to relocate from China, post the coronavirus pandemic.

“We have been holding country-specific interactions regularly and it was during our interaction with the Japanese today that we got some solid proposals that we hope will mature soon,” the minister said, adding that the
state government was very serious about increasing its exports to various countries and is going about it in a planned manner.

Talking about the possibility of increasing exports to Japan, Singh said that at present, China’s exports to Japan stood at a massive $173 billion/year while India’s exports to Japan are in the vicinity of $4.8 billion per annum.

“China’s exports to Japan have started getting disturbed due to geopolitical reasons. With the sentiment going against China, and no country willing to engage with it, the supply chain has been disturbed. India can actually take advantage of this and can pitch in for a larger share of exports to Japan. Even if we assume that 10% of the supply chain is disturbed, it means (an export opportunity of) $17.3 billion”

Currently, UP’s exports to Japan are worth $103.2 million, out of which the share of machine parts and machinery a quarter, followed by essential oils, clothing, garments, footwear and carpets.

The minister said that in all the interactive country sessions that he has chaired, the main question asked by all the companies was whether land is available. “To address that issue, we have started offering large land banks to investors. We have already notified 85,000 acres land for industries in the eastern part of the state, which will cut across the the freight corridor.

In the central region, we have 3,000 acres area for ready to move for industries and another 2600 acres ready for companies interested to invest in the defence corridor. Also, 3,000 acres are ready in the western region of the state near Meerut and another 5,000 acres land is available near the Jewar airport,” he said.

Source: financialexpress.com – Jul 22, 2020
COVID-19: Punjab's garment industry sees 70 per cent drop in orders for winter garments

The famous garment industry of Punjab is staring at massive losses on account of almost 70 per cent drop in orders for winter wear in the wake of the coronavirus pandemic.

Unlike previous years when garment manufacturing units would work at full steam during this time of year, most factories are running at just 30-35 per cent capacities, Ludhiana-based garment makers said on Wednesday.

The industry manufactures winter wear during June, July and August. The sharp fall in orders for winter garments is a double blow for the industry, which already suffered a setback with buyers cancelling or putting on hold orders for summer wear because of COVID-19 pandemic, they said.

"Buyers have placed just 30 per cent orders for winter wear this season as compared to last year," Ludhiana-based garment maker Ajit Lakra said. Besides, there is uncertainty about demand for winter wear after September month.

"If winter items are not sold at retail shops, there are chances that payments may get stuck," Lakra told PTI.

"What will you do with just 30 per cent orders? How will you bear your fixed expenses like interest, etc," he said while urging the government to step in to rescue the industry.

Industry representatives further pointed out that fashion products or garments manufacturing units would bear the maximum brunt.

"People do not have money. They will spend only on essential items rather than purchasing non-essential fashion wear," Knitwear Club President Vinod Thapar said.

"People are buying just casual dresses or inner wear which is essential. Nobody is purchasing new shirts etc," another industrialist pointed out.

With no B2B (business to business) exhibitions taking place this season due to the pandemic, buyers could not place orders with the industry.
Duke Group Chairman Komal Jain said there is uncertainty about improvement in the situation amid the pandemic.

"We are making just 50 per cent goods this season which will be required for our own retail showrooms," he said.

Besides, the industry is also facing labour shortage, he said. The industry is now seeking help from the government to extend moratorium on payment of loan installments.

"The government will have to extend the moratorium for the industry for six months more.

Otherwise majority of the units will turn NPAs (non-performing assets)," said Lakra, who is also the textile division head of the Federation of Industrial and Commercial Organisation (FICO).

The industry, comprising of around 10,000 textile units in Ludhiana with an annual turnover of Rs 50,000 crore, also urged Punjab government to waive fixed electricity charges.

"The way things are going, we do not expect the industry to touch business volume of Rs 20,000 crore," Lakra said.

Ludhiana, one of the oldest textile clusters in the country, is famous for winter garments like jackets, sweaters, thermals, pullovers, inners, shawls, woollen socks, cardigans, among others.

Source: newindianexpress.com– Jul 22, 2020
Haute Handloom, Khadi Couture: How Fashion Industry Is Giving Edgy Twist To Age-old Traditions

It was a common sight outside most metropolitan malls—the swish set emerging with dozens of bags dangling from their wrists. Their attire and their shopping haul proclaimed the recognisable logos of international brands that sell the same dresses and shirts across the world, whether in Mumbai or Madrid, fresh out of factories in Bangladesh or Vietnam. This hamster wheel of fast fashion and international supply chains, however, has come to a jarring halt after the pandemic. Now, with the prime minister’s call to be “vocal for local”, the fashion industry has taken a renewed interest in Indian handloom, often giving an edgy twist to age-old traditions.

Paromita Banerjee, a designer from Calcutta, says, “My label only works with hand-made weaves as the base fabric for all our collections. But instead of doing a traditional backdrop, we contemporise the weaves and make them globally relevant. For example, we use the Bengali jamdani in almost all our collections. It originates from Dhaka and is one of the oldest-known weaves in India. But instead of using the jamdani in the traditional way, we use a contemporary version. We keep the context of the craft, but change the concept.”

The kaleidoscopic colours and intricate patterns of Indian weaves have enormous appeal, but might come across as jarring or over the top for someone attuned to Western sensibilities. So, designers try to tone down traditional patterns or rework the colour combinations for a more global appeal. Paromita melds the riotous patterns of Indian handloom with Japanese minimalist aesthetics in her designs.

Designer Rina Singh uses plenty of Banarasi weaves in her collections. Her current favourites, though, are ikat and jamdani. “I like experimenting with traditional textiles,” she says. “I alter them to play with silhouettes that can be worn with equal ease in the streets of Paris as well as Hyderabad. I also change motifs so that they appeal to a global audience. I make my own patterns and turn them into block prints.”

At the Lakme Fashion Week 2020, she worked on the ikat weave in collaboration with the Telangana State Handloom Weavers Cooperative Society to showcase the handloom clusters of Narayanpet, Mahadevpura and Pochampally. The collaboration presented traditional textiles from Telangana in a new light.
She used a slow production workflow for the embroidery, manufacturing and finishing of the garments at her studio factory in Gurgaon to minimise waste.

The fascination for the local, however, is not just a transient trend. There have been designers who have always championed Indian weaves. Ritu Kumar is a notable example—she has incorporated block printing in her designs for years. “When I started, I was lost in a desert,” she says about her engagement with indigenous weaves. “Many of us travelled across the country and came back with these fabulous textiles. The government encouraged it. I am happy that our generation and even the present generation understands and appreciates the beauty of our traditional weaves.”

Click here for more details

Source: outlookindia.com– Jul 22, 2020