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The Cotton Textiles Export Promotion Council (TEXPROCIL)
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IBTEX No. 201 of 2018 September 28, 2018

USD 72.57| EUR 84.37 | GBP 94.87 | JPY 0.64

Cotton Market (27-09-2018)		
Spot Price (Ex. Gin), 28.50-29 mm		
Rs./Bale	**Rs./Candy**	**USD Cent/lb**
22087	46200	**81.15**
Domestic Futures Price (Ex. Gin), October		
Rs./Bale	**Rs./Candy**	**USD Cent/lb**
22220	46479	**81.64**
International Futures Price		
NY ICE USD Cents/lb (Dec 2018)	78.55	
ZCE Cotton: Yuan/MT (Jan 2019)	16,020	
ZCE Cotton: USD Cents/lb	**89.79**	
Cotlook A Index – Physical	**88.05**	

Cotton Guide: Market is very quiet this week after last week's massive action in the price. Since it made low price of 77.90 cents for active December future it is currently hovering within 100 points.

December posted another negative close at 78.55 down by 44 points. Absolutely no difference in market, dynamics have kind of turned static, trading volumes are thin and no significant change in the contract wise open interest. In fact there are no development as such so far this week.

While we collate that with technical backdrop we see it yet making another flag pattern or consolidation band. Either side break out would determine a fresh trend.

Since cotton is currently into bearish trend it is likely that may break onto lower side. For the remaining days of this week we expect it to have 80.40 as key resistance level while 77 as support.

On other side of the world ZCE cotton witnessed the thinnest movement and volume in this week. Price ended lower by more than 1.5%

Meanwhile, Chinese State Reserve cotton on Wednesday's auction had a turnover rate of 39.78 percent, spinners only. Offered were 33,079.823 tons (151,936 bales); and sold were 13,159 tons (60,440 bales). The cumulative turnover rate is 58.66 percent (offered versus sold).

This auction series started at 24.1 million bales and 12.88 million bales remain. We aren't observing anything surprise in this data on a daily basis. Soon the auction series will also be over. May be Chinese import have some effect on cotton market dynamics in the later part of the year.

There are no developments expect that regular weekly export sales report will be released by USDA in the early hour of trading session. Any surprise in the data may have impact on price. Further later in the late US session weekly CFTC on-call report will be released.

Coming to domestic market the spot price of Shankar-6 variety of new 2018-19 crop traded around 45700 to Rs

45800 per candy ex--gin. The daily arrivals are around 12 to 15000 bales with almost so far nil from Gujarat while figures are from North India and Maharashtra.

Lastly on the futures front the October future ended around Rs. 22200 to 22250 per bale and we expect market to remain sideways. As indicated it may soon take support near Rs. 22K per bale.

Compiled By Kotak Commodities Research Desk , contact us : mailto:research@kotakcommodities.com, Source: Reuters, MCX, Market source

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INTERNATIONAL NEWS

WTO slashes global trade growth forecast to 3.9%

Growing trade tensions between large economies coupled with tighter credit market conditions is expected to slow down the global trade growth to 3.9 per cent in 2018 and further to 3.7 per cent in 2019, according to the World Trade Organisation (WTO).

"The new forecast for 2018 is below WTO's April 12 estimate of 4.4 per cent but falls within the 3.1 per cent to 5.5 per cent growth range indicated at that time. Trade growth in 2018 is now most likely to fall within a range from 3.4 per cent to 4.4 per cent," according to an official release circulated on Thursday.

"While trade growth remains strong, this downgrade reflects the heightened tensions that we are seeing between major trading partners. More than ever, it is critical for governments to work through their differences and show restraint," WTO Director General Roberto Azevedo said.

The report, however, did not directly mention the US and China which are engaged in a tariff war. The updated trade forecast is based on the expectations of world real GDP growth at market exchange rates of 3.1 per cent in 2018 and 2.9 per cent in 2019.

The WTO cautioned that developing and emerging economies could experience capital outflows and financial contagion as developed countries raise interest rates, with negative consequences for trade.

"Geopolitical tensions could threaten resource supplies and upset production networks in certain regions. Structural factors such as the rebalancing of the Chinese economy away from investment and towards consumption are still present and could weigh on import demand due to high import content of investment," the release said.

Source:thehindubusinessline.com- Sep 28, 2018

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Global yarn and fabric production decreases 9 per cent in Q1

Global yarn production declined 9 per cent between Q4 of 2017 and the first quarter of 2018. Yarn output in Africa declined 13 per cent, in Asia 11 per cent, and in Europe 1.5 per cent. This negated growth in Brazil by 12 per cent and US by 3 per cent.

Global yarn stocks also decreased in all regions in Q1 except Brazil, by +1.5 per cent. The biggest reduction occurred in Asia of 6 per cent followed by Europe of 3 per cent and Egypt by 1.5 per cent. Global yarn orders decreased in all countries by 5 per cent on average, except in Japan where it increased by 2 per cent.

The global production of fabrics decreased from Q4' 17 to Q1 '18 by 10 per cent at world level. It declined by 12 per cent in Asia, 5 per cent in Africa and 2 per cent in Europe. It increased by 1 per cent in Brazil. South Africa, Pakistan, and Turkey expect an increase in fabric production in Q2/18. All other countries foresee stability or decrease.

Source: fashionatingworld.com- Sep 27, 2018

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Pakistan: High-profile Chinese delegation to arrive in October

Adviser to the Prime Minister on Commerce, Textile, Industry and Investment Abdul Razak Dawood said on Wednesday that the Pakistan Tehreek-e-Insaf (PTI) government has made the Chinese government realise to bridge the huge trade gap between the two nations, which is in favour of Beijing.

China genuinely wanted to bridge the trade gap and establish a good trade balance. "As a step forward in this direction, a high-profile Chinese delegation, having many Pakistani products on their purchase list, is scheduled to arrive on October 8," he informed the value-added textile sector representatives in a meeting at the Pakistan Hosiery Manufacturers and Exporters Association (PHMA) office.

Austerity axe falls on CPEC, Gwadar projects

He added that on November 4, Pakistan's delegation, led by him, would leave for Beijing to meet with the Chinese commerce minister and other authorities and discuss how to revisit the free trade agreement (FTA) between the two countries.

"We have already discussed the trade imbalance with the Chinese foreign minister during his recent visit to Islamabad and the Chinese ambassador to Pakistan," he said, adding the PTI government would seek tariff concession on 330 items.

"The big gap in Pakistan-China trade is a serious issue and the PTI government is making efforts in this regard," he said. "However, it will take some time."

Pakistan's water economy: getting the balance right

The adviser assured the business community that he would not negotiate anything with China on trade and investment without consultation with the business community through their representative trade bodies.

Source: tribune.com.pk- Sep 27, 2018

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Bangladesh manufacturing industry on course correction

Nearly 7,000 RMG facilities in Bangladesh produce 16 per cent of all manufactured goods and employ 55 per cent of all workers in the manufacturing sector, says a report.

Readymade garments account for 83 per cent of per annum exports.

Bangladesh is heavily reliant on RMG exports and the signs can be alarming. Factors such as changes in trade relations, costs and access to shipping and logistical routes, raw material costs, and consumer tastes and attitudes can hamper growth of the industry and economy in turn.

Garment workers' unions are currently negotiating a raise in monthly minimum wages that is three times higher (Tk 16,000) than the current wage (Tk 5,300). The fact is Bangladesh's export competency lies in its low cost labour and a wage hike would ultimately hamper trade dynamics.

To evade over dependence on garments sector, the Bangladeshi government has launched an export diversification program in the manufacturing sector. The program is the product of a larger initiative aimed at increasing overall standard of living in Bangladesh with the goal of emerging as a middle-income country by 2021.

Consisting of two five-year plans (FYP6 2010-2015 and FYP7 2016-2020), the program is supported in part through financing from the World Bank and covers everything from infrastructure to education to industry to women's empowerment.

If the government wishes to achieve its 2021 goal of manufacturing, which represents 90 per cent of exports, it would have to increase output substantially and secure a 28 per cent share of the GDP up from roughly 20 per cent. This is only possible if RMG production continues to achieve double-digit growth annually.

New economic policies

The reason behind such sustained growth has been industry-friendly policies, which include duty-free import of inputs, bonded warehousing facilities, back-to-back LC, rapid custom clearance. Part of the diversification plan is to utilise these same policies for the sectors whose export potential the government is seeking to boost.

While companies who may be looking to source apparel from Bangladesh in the long-term will need to be mindful of the changing economic landscape, this push towards diversification doesn't mean RMG industry will not get its due importance. In fact, one of the stated elements of manufacturing diversification is to increase the quality of existing sectors, one of which would be readymade garments. The incredibly favourable economic policies geared toward maximising the competitiveness of RMG exports are not so easily undone and could easily outweigh any added cost of a minimum wage increase.

Points to ponder

Meanwhile, RMG manufacturers are increasingly being pressured to bear more costs of production, taking responsibility for purchase of fabrics, development of samples, costs of couriers, and, in some cases the holding of stock. And to do so, there needs to be improvements at every step.

The first improvement should be in planning and consistency of the buyer's business with suppliers. Lack of accurate forecasting by customers can lead to large and unpredictable orders being placed at the lowest possible cost, with insufficient time for the manufacturer to produce the goods without the use of over-time or sub-contraction of orders.

If consistent forecasts can be provided by the customer, the manufacturer is able to allocate necessary man-hours and capacity to fulfill the orders. Next, they need to create awareness about the importance of design and development. The costs of these developments are absorbed by suppliers and yet the rewards can be low, given the investment in time and resources required for the development of product.

Besides, buyers should be encouraged to support and incentivise development of sustainable business practices by suppliers. The future success of global garment supply chain hinges on the adoption of fully sustainable, transparent business practices, not only in Bangladesh, but around the world.

There needs to be a sea change in the buying practices and that needs to be combined with a standardised, global set of criteria that is agreed by all customers for the manufacturing of garments, regardless of the origin of the goods being manufactured.

Source: fashionatingworld.com- Sep 27, 2018

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Pakistan : New PTEA body demands viable textile policy New officeholders elected unopposed

M/s Sadaqat Limited Chief Executive Khurram Mukhtar has been elected unopposed as the chairman of Pakistan Textile Exporters Association (PTEA) for the second time.

Other office-bearers have also been elected unopposed for the year 2018-19 as no one filed nomination papers against them. Earlier, twelve members were also elected unopposed for the Executive Committee seats for the next two year term.

In a meeting of PTEA Executive Committee held here on Wednesday for elections of PTEA office bearers, Khurram Mukhtar from Sadaqat Limited was elected as chairman while Rizwan Ehsan of Rizwan Enterprises as senior vice chairman and Muhammad Idrees of Afino Textile Mills (pvt) Ltd as vice chairman for the term 2018-19. Earlier candidates on twelve seats of Executive Committee were also elected unopposed.

New PTEA Chief Khurram Mukhtar hails from a famous, prominent and successful business family. He is an active member of renowned business network known as M/s Sadaqat Limited.

He has earned good name and fame in exports, business and industry. He holds rich practical experience of 25 years as professional management executive. He is serving on boards of many charitable, health and educational institutions contributing to society. He has been leading various business forums and associations.

He is also serving as chairman of FESCO Board of Directors, Director of Faisalabad Garment City Company (FGCC), member of core Committee of Young Entrepreneur Organisation of Pakistan (YEOP) and member of International Textile Manufacturers Federation Switzerland. He has also excellent trade record of serving in social sector.

Speaking after his election, Khurram Mukhtar said that chairing the country's apex textile body is an honour as well as a challenge, particularly in this testing time.

Presently the textile industry is facing many challenges in almost all segments particularly high utilities cost, trade deficit as well as additional levies and other impediments directly affecting the cost of doing business. It has hampered exports of the country, he said.

"Textile sector will have to deliver to steer the country out of economic troubles. For this, we need the cooperation of not only the entire sector but also of value-added associations," he added.

He appealed to the Government to chalk out a viable policy on textile as this sector has the potential to wipe out the entire trade deficit, provided genuine factors impeding its growth are removed.

The Annual General Meeting of PTEA will be held on 29th September 2018 and results of annual elections will be announced officially while Governor Punjab Chaudhry Muhammad Sarwar will grace the occasion as Chief Gust. Newly elected body will took charge of their offices from 1st of October 2018.

Source: The nation - Sep 28, 2018

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Tunisia: textile & clothing exports increase by 20%

Textiles and clothing exports grew 20% in the first seven months of 2018, AfricanManager learned on Monday, September 24th, 2018 at the Tunisian-French partnership day in the textile and clothing sector organized at the Export Promotion Centre (CEPEX).

Tunisia has 250 companies active in this field, of which about 100 are located in the governorate of Monastir. This sector globally has 1600 companies across the country.

Several Tunisian industrialists are present at this day of partnership to establish B2B contacts with their French counterparts.

Source: africanmanager.com - Sep 27, 2018

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Officials target Middle East, Africa exports

The Middle East and Africa are promising markets for Vietnamese exports, but exporters would face challenges there and have to adopt appropriately careful strategies, officials said at a conference in HCM City on Thursday.

Ngô Khải Hoàn, deputy director of the Ministry of Industry and Trade's Asia–Africa Market Department, said the two markets comprise 70 countries with a population of over 1.4 billion and have great demand especially for agricultural and seafood products.

The Middle East has high demand for mobile phones and accessories, computers, farm produce, seafood, garment and textile, footwear, and construction materials.

"The region has harsh natural conditions and so is unable to produce locally and imports 90 per cent of its agricultural and seafood products, offering a good opportunity for Vietnamese firms," he said.

Value of Việt Nam's trade with Middle Eastern and African countries has gone up sharply in recent years to US$18.5 billion last year, with Việt Nam's exports accounting for $11.6 billion, he said.

"Việt Nam accounts for a very small proportion of the region's imports."

Bùi Thị Thanh An, deputy director of the Việt Nam Trade Promotion Agency, said Africa and the Middle East's imports were worth $480 billion and $807 billion in 2016 and are expected to reach $1.2 trillion and $1.5 trillion by 2020.

"Therefore, there is plenty of opportunity for Vietnamese firms to export to the markets."

In addition, their location adjacent to three continents of Asia, Europe and Africa could serve as an entry point to the markets for Vietnamese goods, she said.

"Given the fact that Việt Nam's traditional markets are gradually getting saturated, enhancing exports to new markets is the right path for Vietnamese businesses."

However, Hoàn said that companies exporting to the two markets have encountered challenges in terms of payment, information, finding partners and fierce competition from other countries.

They need to understand their regulations and Islamic cultural factors such as not consuming alcohol and requiring food and foodstuffs to have Halal certification, he said.

Though the markets do not yet have high food safety standards, they are increasingly adopting trade barriers and so Vietnamese firms should focus on improving food hygiene and safety, he added.

Speaking about her experience doing business with the Middle East and Africa, Châu Kim Yến, general director of Bến Tre Import-Export Company which has exported dried coconut meat to the two markets for decades, said the market has huge demand for Vietnamese farm produce.

But companies have to take a risk with payment because many importers in the two markets do not pay immediately or open letters of credit, she said.

There is also a lack of information about potential business partners and the Government should create a channel to disseminate information to businesses, she said.

Hoàn said his ministry would step up trade promotion efforts, provide businesses with market information and negotiate with countries in the regions to promote exports of Vietnamese rice and seafood.

An suggested Vietnamese companies should participate in trade fairs there to meet potential customers

Source: vietnamnews.vn- Sep 28, 2018

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NATIONAL NEWS

MSME to get loans up to Rs 1 crore within 59 minutes, FM launches new portal

The government has launched a common online platform for micro, small and medium enterprises (MSME) credit which will enable businesses to get loans upto Rs 1 crore within just 59 minutes.

"The web portal www.psbloansin59minutes.com will enable in principle approval for MSME loans up to Rs 1 crore within 59 minutes from SIDBI and 5 Public Sector Banks (PSBs)," an official release said.

It is a strategic initiative of SIBDI led PSB consortium incubated under the aegis of Department of Financial Services (DFS), Ministry of Finance.

The Portal reduces the loan processing turnaround time from 20-25 days to 59 minutes. Subsequent to this in principle approval, the loan will be disbursed in 7-8 working days.

"The solution uses sophisticated algorithms to read and analyse data points from various sources such as IT returns, GST data, bank statements, MCA21 etc. in less than an hour while capturing the applicants basic details using Smart analytics from available documents. The system simplifies the decision making process for a loan officer as the final output provides a summary of credit, valuation and verification on a user-friendly dashboard in real time," the release added.

The key features of the contactless platform include the following:

- Majority stake of SIDBI & big 5 PSBs- SBI, Bank of Baroda, PNB, Vijaya and Indian Bank.
- A first for MSME borrowers-Connect with multiple banks without visiting the branch.
- Advanced Digital Platform for MSME Financing with Services Driven Architecture and highest level of Information Security.
- Only Platform in the market with a Banker Interface which covers the Branch Level integrations (with maker-checker-approver) in tune with current systems of PSBs.

- Only Platform that enables Bankers to create Loan Products in line with the Scoring models & assessment methods within their approved credit policy.
- Only Platform that has an integrated GST, ITR, Bank Statement Analyzer, Fraud Check and Bureau Check as well as host of other features which at present is not available with any other player in the market.
- Only Platform that has been integrated with CGTMSE for checking the eligibility of Borrowers. MSME borrower gets loan up to Rs.2 crore without any collateral, which is major relief for MSME borrower.

Source: zeenews.india.com- Sep 27, 2018

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India, Uzbekistan to cement economic ties

Issues including tariff reduction to promote trade, setting up of a business council, and expansion of economic relation will be discussed during the upcoming visit of Uzbekistan President Shavkat Mirziyoyev to India.

The first visit of the Uzbek President will take place early next week.

"As part of intensification of economic dialogue, we plan to create a joint Uzbek-Indian Business Council, prepare the ground to mutually reduce customs tariffs, implement large-scale projects in free economic zones," Uzbekistan Ambassador Farhod Arziev said.

Arziev said Uzbekistan is also interested in expanding cooperation in areas such as innovation, increasing bilateral investments, education, culture, and arts.

Mirziyoyev's visit to India will elevate strategic and economic partnerships between the countries, the Ambassador told PTI.

Arzeiv said the current volume of bilateral trade and investment between the countries does not correspond to the existing potential.

"Expanding trade volumes requires undertaking complex measures. We have started working on establishing preferential trade regime between the two countries, which will boost the bilateral trade.

We are also planning to increase the supply of different types of agricultural products to Indian market," he said.

The bilateral trade between the countries stood at a meagre USD 235 million in 2017-18. It was USD 155.5 million in 2016-17.

Arzeiv said Uzbekistan has enormous potential to supply several products to the Indian markets such as agri goods, fertilisers, non-ferrous and rare metals, textiles, and petrochemicals.

"We plan to triple our trade volumes in the coming years," he said.

Over 300 business leaders from sectors including automobile, railway, energy, oil and gas, pharmaceuticals, leather, and textile are expected to attend the business forum meet.

On increasing cooperation to promote innovation, the Ambassador said they are planning to launch Uzbekistan-India Innovation Forum, and Indian Technology Parks in Uzbekistan.

Further, he said the Uzbek President will also announce the partnership between Samarkand and Agra, to promote tourism industry.

"Daily flights from Delhi and Amritsar to Tashkent connect both countries and by the end of October, we are launching Mumbai-Tashkent air route, which will operate three times a week. I believe this will further increase tourism between India and Uzbekistan and further boost business opportunities," he added.

Source: business-standard.com- Sep 27, 2018

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India to sign CEPA with Bangladesh

Bangladesh and India will sign the Comprehensive Economic Partnership Agreement (CEPA), a greater economic cooperation deal, to boost bilateral trade. Analysts say, Bangladesh will benefit from the deal if it is negotiated carefully. The country currently, as an LDC, enjoys zero-duty benefits on exports to India for all goods except for 25 alcoholic beverage items.

The CEPA is a greater partnership deal between two countries or with any trade bloc, under which special treatment is given in areas of trade, investment, energy cooperation, logistic support and so on. Under the partnership, both countries will work towards improving logistic and trade-related capacities of Bangladesh.

The deal could lead to more Indian investment in Bangladesh, more energy cooperation and aid for trade between. India has signed CEPA with some countries like South Korea and Japan and is in negotiations with the ASEAN (Association of South East Asian Nations) to hammer a similar deal.

Source: fashionatingworld.com- Sep 27, 2018

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Centre establishes high-level advisory group to boost exports

A day after hiking import duties on 19 items, the government decided to set up a 12-member, high-level advisory group to look at ways of promoting export. Headed by economist Surjit Bhalla, part-time member of the Prime Minister’s Economic Advisory Council (PM-EAC), the group will work on exchange rate management and impacts of trade wars.

The panel has been set up as a temporary measure and is set to meet for the next two months regularly, and then it will submit a report to the commerce ministry, a government official said.

It will also examine the prevailing trade dynamics and suggest a framework for India for engaging in international trade.

The other members include Principal Economic Adviser Sanjeev Sanyal, former commerce secretary Rajiv Kher and Quality Council of India Chairman Adil Zainulbhai.

During 2017-18, exports grew by about 10 per cent to $303 billion. On Wednesday, in the fifth such instance on hiking tariffs, the government raised basic customs duties on 19 products, which cumulatively cost Rs 860 billion in 2017-18, according to the finance ministry. This, however, constituted just 2.8 per cent of India's import bill that year.

"At the margin some imports could come down but would not have a significant bearing on the quantum of imports. To the extent that these imports continue to flow in, there would be an inflationary impact, albeit marginal," CARE Ratings said.

The highest number of items on the list is in the electronics category, which makes up the biggest chunk of the import bill after crude oil and gold.

"While the rate hike was important in order to narrow the current account deficit and bring the domestic manufacturing industry at par with the international markets post GST, the timing of the hike will have a major impact on the durables industry with the festive season just around the corner," CARE Ratings said.

Companies might not be able to pass on the price rise on account of muted demand in the domestic market after the price drop in washing machines and refrigerators during June-August 2018 owing to GST-led rate corrections, it added.

According to Icra, the current account deficit is expected to widen to $72-77 billion (2.8 per cent of GDP) in 2018-19 from $48.7 billion in 2017-18 (1.9 per cent of GDP).

The 5 per cent duty announced on aviation turbine fuel (ATF) is not expected to affect airfares because there is no ATF shortage in India, a senior finance ministry official said on Thursday.

The trade deficit, which is the biggest part of the CAD, reduced to $17.4 billion in August from $18.2 billion in July. In the two months of July and

August, the trade deficit has risen to $35.6 billion after it stood at almost $45 billion in the first quarter of the current financial year.

Source: business-standard.com- Sep 28, 2018

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Reliance partners with Vardhman Textiles to manufacture R Elan fabric

Reliance Industries Ltd has entered into a partnership with Vardhman Textiles Ltd to manufacture the company's innovative R | Elan Fabric.

As a part of this engagement, RIL's R | Elan technical team will work closely with Vardhman to develop new manufacturing processes for specially engineered R|Elan fabrics. The fabric will be suitable for a variety of apparels spanning formals, casuals and women's wear.

R|Elan technical team will provide the technical knowhow, specifications and parameters to ensure the best quality fabric is produced. Suchita Jain, Joint Managing Director, Vardhman Textiles Ltd, said, "We see many exciting possibilities with R|Elan to create new fabric. Our strengths have always been rapid innovation and creating strong product ranges that are acceptable to brands, and Reliance is the perfect partner for our developments."

Commenting on this partnership, Gunjan Sharma, CMO – Polyester Division, RIL, said, "We will work together to ensure the consumer's growing demand for high-quality performance and sustainable apparel are met with R|Elan. This partnership further emphasises our focus on creating opportunities for entire textile value chain, including brands and apparel manufactures."

RIL has partnered with more than 30 players to produce new-age fabrics using R|Elan technologies. These partners will also receive assistance for technical, leads and new product development needs.

Source: thehindubusinessline.com- Sep 28, 2018

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Raising import duties to lower CAD is a bad idea, says Montek Singh Ahluwalia

Hiking import duties to bring down Current Account Deficit is a bad idea, said the former Deputy Chairman of Planning Commission, Montek Singh Ahluwalia.

Speaking at the 108th Annual General Meeting of the Southern India Chamber of Commerce and Industry here, Ahluwalia, made the point that customs duties could be raised if the government wanted to support a particular industry from imports, but not for bridging CAD.

Responding to Rafeeque Ahmed, the SICCI president and a former president of the Federation of Indian Export Organisations (FIEO), Ahluwalia started off on a defensive note “you are putting me in a spot” he remarked, but quickly added, “I definitely do not think that raising customs duties is the solution.”

This comment comes in the context of the Ministry of Finance announcing customs duty hike on 19 product lines, including aviation turbine fuel and white goods. “This is very fundamental. The current account deficit is a macro-economic phenomenon. You handle that either by controlling aggregate demand or by improving supply.

You do not handle that by increasing customs duties,” Ahluwalia said. However, on the point of the Reserve Bank of India handling the depreciation of the rupee, he said, “the RBI has handled the rupee depreciation very well.”

“If the question is whether Urjit Patel (the RBI Governor) should have used some 20-30-40 billion dollars more to defend the rupee, the answer is, No,” he said.

During the course of the interaction, Ahluwalia felt that the industry was good at engaging with the central government, giving it inputs, but not so good at engaging with the state governments.

Source: thehindubusinessline.com- Sep 28, 2018

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