

17th

**JANUARY
2023**



News Highlights

NATIONAL

[86% CEOs bullish about India's economy in 2024](#)

[KTR urges State to help Sircilla textile industry overcome crisis](#)

[Polyester cloth production comes to near standstill in Sircilla as crisis looms](#)

[Consider giving refunds to exporters in cash for tax remission schemes: GTRI to govt](#)

[Exporters stress demand for Indian shipping line of global repute to reduce 'arm twisting' by foreign ones during crisis](#)

[India Expected To Record 6.9-7.2% GDP Growth In FY24: Deloitte](#)

[Indian firms among companies investing in closed jute mills](#)

['India-B'desh FTA threat to local textile industry'](#)

GLOBAL

[Median EU Inflation Expectations Over Next 365 Days Dip To 3.2% In Nov](#)

[Brazil Poised To Become World's Leading Cotton Exporter](#)

[FDCB to unveil comprehensive ranges of khadi fabrics at Khadi Fest 2024](#)

[BGMEA launches initiative to provide eye care services for garment workers](#)

[12% of fashion retailers expect to be fully circular within 2 years](#)



NATIONAL

86% CEOS BULLISH MABOUT INDIA'S ECONOMY IN 2024

Most Indian chief executives are optimistic about the econ.omy and believe it would improve in the coming 12 months, said a survey by consulting and auditing firm PwC on Tuesday.

The company's 27th annual global survey polled 4,702 chief executive officers (CEOs) in 105 countries and territories, including 79 in India, from October 2 to November 10, 2023. As many as 86 per cent of CEOs in India 30 per cent higher than a year ago - are confident that the economy would improve. In comparison, only 44 per cent of global CEOs believe the economy would improve in their territories.

The optimism around the Indian economy is reflected worldwide, with the country reclaiming the position of fifth top investment destination for global CEOs after ranking ninth in 2023.

The survey was released on the first day of the World Economic Forum annual meeting in Davos.

As many as 62 per cent business leaders in India were "extremely or very confident" about their companies' growth over the next 12 months.

Read more at:<https://www.magzter.com/stories/newspaper/Business-Standard/86-CEOS-BULLISH-ABOUT-INDIAS-ECONOMY-IN-2024>

[Home](#)

KTR urges State to help Sircilla textile industry overcome crisis



Read more at : [KTR urges State to help Sircilla textile industry overcome crisis - The Hindu](#)

[Home](#)

Polyester cloth production comes to near standstill in Sircilla as crisis looms

Polyester fabric production almost came to a standstill in the textile hub of Sircilla with most of the powerloom units in the town remaining shut due to lack of orders and accumulated stocks of unsold cloth in warehouses.

An overwhelming majority of the nearly 30,000 powerloom units in Sircilla have suspended operations from Monday following the decision of the Sircilla Polyester Cloth Manufacturing Welfare Association to close down the units under “unavoidable circumstances.”

The Association representing the polyester cloth manufacturing units attributed the current grim situation to lack of private orders mainly from Hyderabad, slump in prices due to weakened demand and piled up stock of unsold cloth.

The distressed owners of the units and thousands of powerloom workers are pinning their hopes on the fresh government orders such as RVM uniform clothes and Bathukamma sarees to the Sircilla-based powerloom units for resumption of operation of the closed units at the earliest.

Official sources said that the government agencies concerned are likely to place bulk orders for supply of school uniform cloth in a couple of days.

Meanwhile, former minister and Sircilla MLA K T Rama Rao took to X (formerly Twitter) saying the homegrown talented powerloom weavers of Sircilla have seen great growth and expansion since the formation of Telangana with the active support of the State government.



“My request to the Congress government to continue and strengthen the sector more as it has the potential to grow and compete with Tirupur cluster in Tamil Nadu. Hearing stories of distress setting in yet again which can be disastrous for the sector,” he added.

[Home](#)

Consider giving refunds to exporters in cash for tax remission schemes: GTRI to govt

The government can consider giving refunds to exporters in cash instead of scrips for tax remission schemes, as it would immediately improve cash flow for them, economic think tank GTRI said on Tuesday. At present, the refund under the Remission of Duties and Taxes on Exported Products (RoDTEP) scheme and the Rebate of State and Central Taxes and Levies (RoSCTL) scheme is issued as a scrip, which can be used to pay basic customs duties at the time of import.

Read more at:

https://economictimes.indiatimes.com/news/economy/foreign-trade/consider-giving-refunds-to-exporters-in-cash-for-tax-remission-schemes-gtri-to-govt/articleshow/106889332.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

[Home](#)

Exporters stress demand for Indian shipping line of global repute to reduce ‘arm twisting’ by foreign ones during crisis

The government must focus on developing an Indian shipping line of global repute that could reduce “arm twisting” by foreign shipping lines at the time of crisis and result in big savings, some exporters proposed at the Board of Trade meeting chaired by Commerce & Industry Minister Piyush Goyal on Tuesday.



The suggestion, made on many occasions before, is especially important in the present context of sky-rocketing shipping charges due to the on-going Red Sea crisis, which has affected India's trade with Europe, US east coast and parts of West Asia and Africa.

Freight rate hike

"Because Indian exporters are almost completely at the mercy of foreign shipping lines, they indiscriminately increase freight at the slightest opportunity. Right now, freight rate increase is not just confined to the Red Sea route or the detour that has to be taken through the Cape of Good Hope, but on all routes. This was pointed out to the government," a person tracking the matter told *businessline*.

In its presentation, exporters' body FIEO pointed out that as the government had taken the laudable initiative for facilitating container manufacturing in the country to become 'Atma Nirbhar', a similar focus for developing an Indian shipping line of global repute was called for.

"India remitted over \$80 billion as transport service charge in 2021. As the country moves towards the goal of \$1 trillion exports, this will touch \$200 billion by 2030. A 25 per cent share by the Indian shipping line can save \$50 billion annually," it said.

The Indian private sector may be engaged to develop such shipping lines. This will also reduce arm twisting by foreign shipping lines particularly of our MSMEs, the presentation added.

Red Sea crisis

India's exports could decline by an estimated \$30 billion in the on-going financial year if the Houthis continue their attacks on cargo ships in the Red Sea, according to some calculations made by think-tanks.

Not only have shipping charges more than doubled on several routes, all kinds of steep surcharges are being applied such as peak season surcharge, Red Sea surcharge and contingency surcharge, exporters complained. Insurance costs have also gone up several fold.

The Commerce & Industry Minister pointed out that the Board of Trade meeting was an opportunity to deliberate on the key issues including how to leverage the free trade agreements (FTAs) for the country's benefit, how to encourage the startups/MSMEs to go



beyond the borders and start exporting and boost exports from the services sector which remains a key driver of export growth.

The Board of Trade meeting focused on reviewing the export performance to achieve the \$2 trillion export target for year 2030, the priorities identified in the new Foreign Trade Policy 2023 and the strategies and measures to be adopted in order to take forward the export growth, per an official release.

The reconstituted Board of Trade provides an opportunity to have regular discussions and consultations with trade and industry and advises the government on policy measures connected with the FTP in order to achieve the objectives of boosting India's trade. It also provides a platform to the State governments and UTs for sharing State-oriented perspectives on exports.

[Home](#)

Will Counter Non-Tariff Barriers: Piyush Goyal

Read more at: [Will counter non-tariff barriers: Piyush Goyal - Times of India \(indiatimes.com\)](https://timesofindia.indiatimes.com/Will-counter-non-tariff-barriers-Piyush-Goyal/articleshow/98888888.cms)

[Home](#)

India Expected To Record 6.9-7.2% GDP Growth In FY24: Deloitte

India is expected to record a gross domestic product (GDP) growth in the 6.9-7.2 per cent range in this fiscal (FY24) and 6.4-6.7 per cent in FY25 amid improving economic fundamentals and an underlying momentum, Deloitte India said in an update to its quarterly outlook.

The country's current account deficit (CAD), which was at 1.9 per cent of the GDP in FY23, is expected to be reduce further in FY24, Deloitte noted.



"And, while the global economic scenario remains modest and will impact the Indian economy, the country will be able to navigate uncertainties better than the rest of the world," wrote Rumki Majumdar, economist, Deloitte India, on the company's website.

Foreign exchange reserves are at a comfortable level of ₹568 billion—equivalent to over 10 months of import cover. At present inflation stands at 5 per cent which is albeit high as per the reserve Bank of India's target range, but much lower than what it used to be a decade back, Deloitte noted.

"High inflation is expected to persist till H2 [the second half of] FY2024, due to high food and volatile oil prices and will soften thereafter," Majumdar said.

Digitisation, high-end manufacturing capacity addition and improved competitiveness through exports formed the three pillars of India's decade-long vision and the country is witnessing the outcomes translating into sustainable growth, she noted.

The country, however, needs to be more competitive and further scale up commoditised products by taking advantage of its large domestic market, she added.

[Home](#)

Indian firms among companies investing in closed jute mills

Indian companies are investing in two closed jute mills to restart their production activities and a Taiwanese firm has also expressed interest in investing in another one under a government initiative to revive the sector, said Md Abdur Rouf, secretary of the Ministry of Textiles and Jute, on Tuesday.

Many of the country's jute mills incurred losses under government ownership and faced closures. The government is now looking to lease them out to private investors to make them profitable again, said Md Abdur Rouf at an event in the capital.

At the event, Textiles and Jute Minister Jahangir Kabir Nanak said the initiative aims to diversify the country's exports. Officials from the Bangladesh Textile Mills Corporation were also present at the event.



Out of the twenty-five closed jute mills, seventeen have been leased out to local and foreign private companies and five of these have already restarted production and exports, Abdur Rouf added.

The investors would rebuild production lines in the factories and abandon old equipment. Jute Mills Corporation sources claim the two Indian companies – Pacific Jute and Mohan Jute – would invest in their respective leased jute factories in partnership with local entrepreneurs. A Taiwan company has also expressed interest in leasing a jute mill.

New project for Sonali bags

Md Abdur Rouf said the government has taken a pilot project to prove the profitability of Sonali bag production to the private sector. Sonali bag – a recyclable bag made from jute cellulose – holds huge promises for the jute industry.

The ministry officials first tried to get feedback from businessmen on using the specialised machine for Sonali bag production. But it turned out that the private sector could only be convinced of its commercial viability by producing it at scale. So, the government has procured a number of the machines for proving Sonali bag's profitability in large-scale production.

Jahangir Kabir Nanak said that as part of the move to diversify Bangladesh's export portfolio, efforts are being made to increase the export of a variety of jute products.

Prime Minister Sheikh Hasina recently directed the government to provide incentives to the leather and jute industries similar to the benefits offered to the readymade garments sector.

This directive aims to boost export earnings from locally sourced raw materials and diminish the economy's dependence on garment exports.

Nanak expressed his determination to revive the golden age of the jute industry, saying, "We are working on the instructions given by Prime Minister Sheikh Hasina. We will try to overcome the challenges and find a way to develop this sector, God willing."

Highlighting the efforts in addressing the industry's problems, he said, "We will meet with farmers and field-level officials. The jute industry is a matter of pride for the nation."



In the fiscal year 2022-23, the jute sector contributed approximately \$925 million to the country's export earnings. The government is actively working to further increase export earnings from this sector.

[Home](#)

‘India-B’desh FTA threat to local textile industry’

Read more at: [India-B'Desh FTA: India-B'desh FTA Threat to Local Textile Industry in Ludhiana | Ludhiana News - Times of India \(indiatimes.com\)](#)

GLOBAL

Median EU Inflation Expectations Over Next 365 Days Dip To 3.2% In Nov

The median rate of perceived inflation over the previous 12 months in the European Union (EU) decreased noticeably to 7 per cent in November last year from 7.8 per cent in October, according to the European Central Bank (ECB) consumer expectations survey. Median expectations for inflation over the next 12 months also declined, to 3.2 per cent in November from 4 per cent in October, as did those for inflation three years ahead, to 2.2 per cent from 2.5 per cent.

Inflation expectations, both at the one-year and three-year horizons, declined to their lowest levels since February 2022, well below the perceived past inflation rate.

Uncertainty about inflation expectations over the next 12 months declined slightly.

Consumers in the November survey expected their nominal income over the next 12 months to grow by 1.2 per cent, which was a slightly higher rate than October's 1.1 per cent.



This increase was driven by the expectations of consumers aged 35-54, while the expectations of younger consumers (aged 18-34) remained stable and those of older consumers (aged 55-70) decreased slightly.

Perceptions of nominal spending growth over the previous 12 months remained stable at 6.3 per cent. Expectations for nominal spending growth over the next 12 months decreased further in November last year to 3.2 per cent, from 3.3 per cent in October and 3.4 per cent in September. This decrease was broad-based across income quintiles and age groups.

Economic growth expectations for the next 12 months were marginally less negative, standing at minus 1.2 per cent in November, compared with minus 1.3 per cent in October. Expectations for the unemployment rate 12 months ahead decreased to 11.1 per cent from 11.4 per cent in October.

Consumers continued to expect the future unemployment rate to be only slightly higher than the perceived current unemployment rate (10.7 per cent), implying a broadly stable labour market.

[Home](#)

Brazil Poised To Become World's Leading Cotton Exporter

Brazil is on the verge of becoming the world's largest cotton exporter, potentially surpassing the United States. This shift is attributed to a significant surplus in Brazil and decreased supply from the US, according to a report from the Center for Advanced Studies on Applied Economics (CEPEA).

The 2023-24 cotton planting season in Brazil is expected to benefit from delays in soybean sowing in the Cerrado region, maintaining a high surplus through 2024 and into 2025. Consequently, Brazil is projected to emerge as the third largest cotton producer globally in the 2023-24 season.

CONAB, the Brazilian National Supply Company, forecasts that the 2023-24 Brazilian cotton production will be the second largest in history, only 3.5 per cent lower than the 2022-23 season, reaching 3.061 million tons. Despite an 8 per cent decrease in productivity per hectare compared to the previous year, the cultivated area is anticipated to expand by 4.9 per cent to 1.745 million hectares, the largest since the 1991-92 season.

--



The combined production, initial stocks, and imports are expected to result in a record domestic availability of 5.2 million tons in 2024. Domestic consumption is projected to reach 730 thousand tons, marking the highest level in a decade, and representing a 7.35 per cent increase from the previous season, CEPEA said in its latest fortnightly report on the Brazilian cotton market.

As a result, Brazil may achieve an unprecedented surplus of nearly 4.5 million tons. Out of this amount, 2.5 million tons are expected to be exported in 2024, leading to final stocks of 2 million tons by December 2024.

Global exports, as forecast by the United States Department of Agriculture (USDA), are estimated at 9.395 million tons. Brazilian shipments for the 2023-24 season (August 2023 to July 2024) are estimated at 2.504 million tons, a significant 72.8 per cent increase from the previous season and the highest in history, trailing the US by just 5.7 per cent.

Brazil may intermittently claim the title of the world's biggest exporter based on cumulative 12-month shipments. Between August and December 2023, Brazil exported 1.02 million tons of cotton, and total shipments for the year amounted to 1.5 million tons, as per Secex data.

[Home](#)

FDCB to unveil comprehensive ranges of khadi fabrics at Khadi Fest 2024

The Fashion Design Council of Bangladesh (FDCB) announced the eagerly awaited Khadi Fest 2024.

With the theme "Khadi: The Future Fabric Show," Khadi fest is set to take place on the 19th and 20th of January 2024 from 10 am to 8 pm at ALOKI, 211 Tejgaon Link Road, Dhaka, Bangladesh.

This event is supported by Maya as the title sponsor, BGMEA as powered by, HSBC, Berger, Rupayan Group, and Buy Here Now as co-sponsors.



With the Sustainable display zone, a dedicated area will show a comprehensive range of eco-friendly Khadi accessories and apparel products manufactured from the plant. And vendors and the community's master craftsmen will display their inventive heritage items.

“Prepare to be mesmerized as top designers from Bangladesh and beyond present their Khadi-inspired collections on the runway. Witness the fusion of tradition and modernity, highlighting Khadi as a versatile fabric of choice for the modern, conscious consumer”, said Khadi team.

In day 1 designers are Jakia & Maysha, Abir & Tajbir, Faiza Ahmed, Tenzing Chakma, Ibalarihun, Afsana Ferdousi, Imam Hassan, Sadia Rashid Chowdhury, Abhisek Roy and on day 2, Shaibal Saha, Charlee, Maheen Khan, Shah Rukh Amin, Kuhu, Nawshin Khair, Sayantan Sarkar, Lipi Khandker, Chandana Dewan will showcase their collections to the wider audience.

Besides, by listening to the industry experts, fashion designers, and sustainability advocates visitor will know their insights on the role of Khadi in shaping the future of the fashion industry. Gain valuable knowledge on sustainable practices and ethical fashion.

Maheen Khan, President, Fashion Design Council of Bangladesh, says, "As we come together at the Khadi Fest 2024 to celebrate our rich cultural heritage and promote sustainable fashion. Khadi, with its timeless appeal, not only reflects our traditions but also holds the potential to shape the future of the khadi industry."

“This event serves as a testament to our dedication to fostering a sustainable and conscious approach to fashion, aligning with our shared responsibility towards a greener, more ethical future. I commend the team of FDCB, sponsors, exhibitors, designers, and everyone involved for their efforts in showcasing Khadi Fest 2024. Let us embrace this opportunity to learn, engage, and contribute to the movement for a more sustainable and vibrant fashion landscape."

[Home](#)

BGMEA launches initiative to provide eye care services for garment workers



Bangladesh Garment Manufacturers and Exporters Association (BGMEA) has taken initiatives to ensure eye care for garment industry workers. For this purpose, the organization has signed a memorandum of understanding with Helen Keller. Under this initiative, doctors of five health centers affiliated to BGMEA will be trained. The centers will be equipped with necessary equipment to provide effective eye care.

On January 13, representatives of BGMEA and Helen Keller pledged to implement the eye care initiative at the Inception Workshop held at the BGMEA Complex. This partnership aims to provide primary eye care services. This includes basic eye exams, prescription glasses and referrals for more complex eye disorders.

At the workshop, BGMEA President Faruque Hassan said, "There is a lot of potential to improve the eye health of the workers in the garment sector." He appreciated the collaborative initiative of BGMEA and Helen Keller in this regard.

He said, "Providing eye care to garment workers is not only a matter of ensuring their physical health, but also contributes to workplace productivity, safety and overall job satisfaction."

At the workshop, Hasina Akter, Country Director of Helen Keller International, Bangladesh highlighted how improved vision and eye health directly contribute to increased productivity and quality of work, and emphasized on taking appropriate initiatives in eye care.

Meanwhile, a Memorandum of Understanding (MoU) was also signed between BGMEA and Manabik Shahajya Sangstha (MSS). Under this comprehensive eye care will be provided to garment factory workers and employees.

In the presence of BGMEA President Faruque Hassan, Md. Faizur Rahman, Secretary General of BGMEA and Tariqul Gani, Advisor of MSS signed the MoU at the BGMEA complex. The partnership aims to bring essential eye health services directly to garment factory workers and employees.

[Home](#)



12% of fashion retailers expect to be fully circular within 2 years

A new study with board directors and senior executives who work for fashion brands and retailers reveals 12% expect their business to be fully circular within two years, 34% within three years and 31% within four years.

The study by Aquapak Polymers also shows that 20% of respondents expect to achieve circularity this goal within five years. 32% rated their strategy for making their business fully circular as excellent, 54% said it was good and 14% described it as average.

37% said that reducing the use of polyethylene plastic in packaging is a “highly important” part of their sustainability strategy, and a further 63% said it was quite important.

The research, conducted by PureProfile, surveyed 100 board and senior executives, including CEOs, Retail Directors, Chief Operating Officers, Sustainability Directors and Finance Directors, in the UK, US and Australia in November 2023.

Our study shows that the circular economy and sustainability are priorities for boards and senior executives in the fashion industry.

54% of respondents described their business as a “market leader and innovator”, 39% said that their business was average and “following the leaders” and 7% described their business as “playing catchup”.

The findings also show that while 49% said sustainability is regarded as highly important to the success of their business, only 21% described the quality of their sustainability strategy and programme as excellent.

Mark Lapping, CEO of Aquapak, commented: “Our study shows that the circular economy and sustainability are priorities for boards and senior executives in the fashion industry, although only half think that their business is at the vanguard of change when it comes to innovation and market leadership.



“There has been an acceleration in new technologies in the sector, so the opportunity for brands to step up and lead the industry is there for the taking. Aquapak is already working with several early-adopter fashion companies who are determined to drive a significant change in the industry by embracing upstream innovation in packaging.”

[Home](#)