

LETTER

CONFEDERATION OF INDIAN TEXTILE INDUSTRY

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Plan to reward patent, IPR creation in technical textiles in the works

Read more at : [Plan to reward patent, IPR creation in technical textiles in the works - The Economic Times](#)

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Gujarat's Textile Policy To Be Delayed Until After General Elections

Gujarat's textile policy is expected to be delayed, as the state can only announce the policy after the general election in April and May this year. The state is facing stiff competition from neighbouring states like Maharashtra and Madhya Pradesh, as they are enticing Gujarat-based textile companies for investment by offering higher incentives and subsidies. Various industry organisations have presented their demands in a meeting with the state government authorities last week.

State authorities held a meeting last week with 20 representatives of various industry organisations at Udyog Bhavan in Gandhinagar. The state's old textile policy, which was introduced in 2019, expired on December 31, 2023. The industry organisations were demanding that the policy be introduced before the Lok Sabha elections, as the government would not be able to announce the policy due to the implementation of the model code of conduct (MCC). However, the policy was delayed, and the MCC came into effect with the announcement of the schedule for the general election by the Central Election Commission.

More attractive policies from the neighbouring states of Madhya Pradesh and Maharashtra brought the issue to the forefront. According to industry sources, industrialists based in Gujarat, and more specifically Surat-based companies, have made significant investments in other states in their expansion plans.

The industry representatives demanded an interest subsidy of 6 per cent so the actual rate of interest comes down to 2 per cent. They also demand power tariff reimbursement of ₹3 per unit for low tension power connections and ₹2 per unit for high tension power connections. These incentives will enhance the long-term viability of textile units. They also urged the removal of caps on subsidy amounts to ensure equitable benefits across the sectors.



Ashish Gujarat, former President of the South Gujarat Chamber of Commerce and Industry (SGCCI), told Fibre2Fashion, "Due to various attractive schemes in the textile policy of Maharashtra, several textile units have relocated to neighbouring states."

Industry sources pointed out that subsidies for capital, power, loan at lower interest rates, and benefits related to renewable energy were key factors for industries from Gujarat to plan new projects in other states. Gujarati mentioned that even with lesser incentives compared to other states, investors would prefer Gujarat because of better infrastructure. However, the state government should attract industries with higher incentives.

But the industries will have to wait for the next few months, as the Gujarat government cannot introduce the policy during the general election. It is believed that the state government will finalise its final draft of the textile policy after discussions with industry representatives. The state authorities will have to conduct inter-ministerial consultations before finalising the draft.

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RA International Revolutionises Textile Traceability At Bharat Tex '24

RA International is known for providing complete sustainable garment manufacturing solutions, we are trusted by some of the world's biggest brands. This trust is well earned by being a first mover when it comes to transparency & traceability in its supply chain.

The company implemented a combination of physical and digital traceability from Retecycle and Tailorlux. Retecycle implemented a platform to trace the complete journey of garments being shipped to a major German brand to provide data for the digital product passport. The data integrity is being backed up by the physical tracer of Tailorlux which was introduced as a tracer fiber to become an inseparable part of the garment and make it scannable with handheld devices. The Retecycle platform can start the traceability journey from the seeds onwards and can be combined with the tracer technology of Tailorlux. "It is an easy system with distributed scans at every stage of the supply chain to match the digital claim with the actual material" says *Pepe Costa, CEO of Retecycle*.

The project has been running for 1,5 years now and had been made public during Bharat Tex 2024 by showing how garments and yarns can be scanned by handheld devices creating a digital waypoint from fiber to garment with the Retecycle platform.

"Our participation at Bharat Tex 2024, New Delhi exemplifies our commitment to adapting innovation within the textile industry," said *RA International's CEO*. "We are proud to have



provided a platform for businesses to enhance their operations, promote sustainability, and build trust with consumers." As sustainability continues to drive consumer preferences and regulatory mandates, RA International remains dedicated to empowering businesses with the tools they need to thrive in this evolving landscape. With a steadfast commitment to innovation and excellence, RA International looks forward to shaping the future of traceability in the textile industry.

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Bridgetown To Host First-Ever Global Supply Chain Forum In May

The Global Supply Chain Forum (GSCF) 2024, to be organised by the United Nations Conference on Trade and Development (UNCTAD) in collaboration with the government of Barbados in Bridgetown from 21 to 24 May, will discuss ways to foster resilient and sustainable global supply chains.

The first event of its kind, it is set to provide a crucial platform for leaders and experts to discuss the changing landscape of international trade and logistics.

The forum will feature an innovation challenge, aimed at inspiring solutions to make global production and distribution networks greener and more efficient and resilient.

It will focus on the vital role of global supply chains in promoting economic growth, job creation and poverty reduction, aligned the 2030 Agenda for Sustainable Development, an UNCTAD release said.

Recognising the disproportionate impact of supply chain disruptions on vulnerable economies far from the main lines of trade, especially small island developing states (SIDS) and landlocked developing countries (LLDCs), the forum will explore ways to strengthen resilience and sustainability in global supply chains, ranging from trade facilitation reforms to digital innovations.

It will discuss strategies for enhancing the resilience of seaports, particularly in vulnerable coastal nations.

Government ministers of transport will deliberate on a joint declaration, feeding into upcoming discussions at the UN's 4th International Conference on Small Island Developing States set for late May in Antigua and Barbuda.

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Ahead of Lok Sabha Elections 2024, India-UK free trade agreement nears conclusion, awaits new Government for final stamp

The India-UK free trade agreement is likely to be signed post the formation of new government at the Centre.

"The legal vetting of the trade deal is on. Even if we iron out the last few issues, the deal cannot be announced till elections are over and a new government is formed" a senior government official told ANI.

The last round of negotiations on pending issues between India and United Kingdom concluded this month, but the negotiating teams of both sides are continuing to hold virtual discussions on a few vital issues.

Intense negotiations were held for last two months to iron out the contentious issues. India and the UK launched the talks for a free-trade agreement (FTA) in January 2022 and there have been 14 round of talks so far. Chapter wise textual negotiations are almost over and schedules on Goods and Services are being finalised.

On March 12, PM Narendra Modi and his counterpart UK PM Rishi Sunak had a telephonic discussion for early conclusion of the FTA. This gives the negotiating team a final push to finalise the deal at the earliest.

The two leaders also affirmed their commitment to further bolster the bilateral Comprehensive Strategic Partnership between the two nations.

"Had a good conversation with PM Rishi Sunak. We reaffirmed our commitment to further strengthen the bilateral Comprehensive Strategic Partnership and work for early conclusion of a mutually beneficial Free Trade Agreement," PM Modi had posted on X. The two countries are also negotiating a bilateral investment treaty (BIT), which is being negotiated by the finance ministry.

"UK is unwilling the sign the FTA without finalising the BIT" said the official to ANI.

India has signed three FTAs in the last two years, with UAE, Australia and the European Free Trade Association

Through the FTA, India is looking for greater access to sectors like textiles, automobile parts, and marine products. The deal will also facilitate easier movement of skilled professionals.

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Will the February export optimism continue?

Read more at : [Will the February export optimism continue? \(moneycontrol.com\)](#)

India's economic outlook for next fiscal positive, says finance ministry

The finance ministry on Friday said with an uptick in private investment and inflation trending down, India's outlook for the next fiscal looks positive.

The Monthly Economic Review also said that inclusion of Indian bonds in Bloomberg bond index from January 2025 should bolster inflows.

It said robust investment activity is driving growth amid a steady rise in consumption.

"The continued focus on public investment seems to have crowded in private investment," said the February edition of the review by Department of Economic Affairs.

The National Statistical Office (NSO) has revised upwards the GDP growth estimate for current fiscal to 7.6 per cent from 7.3 per cent.

India grew above 8 per cent for three consecutive quarters, reaffirming its position as a standout performer amid sluggish global growth trends. Various agencies echo a similar sentiment revising the FY24 growth estimates of India closer to 8 per cent, the ministry said.

"On the whole, India looks positively towards the dawn of FY25," the review said.

It said increased demand for residential properties in tier-2 and tier-3 cities augurs well for furthering construction activity.

Non-farm employment has revived, improving the capacity to absorb the labour leaving agriculture.

"The ascent of manufacturing sector employment is expected to be marked by upscaling of enterprises and sunrise sectors emerging as catalysts for generating quality employment," it added.

It said strong growth accompanied by stable inflation and external account and progressive employment outlook will help the Indian economy close the current financial year on a positive note.



"There are headwinds like indications of hardening crude oil prices and global supply chain bottlenecks to trade. Nonetheless, India, on the whole, looks forward to a bright outlook for FY25," the monthly review said.

It said India's inflation outlook for the upcoming months is positive.

Core inflation is trending downwards, indicating a broad-based moderation in price pressures. The pick-up in summer sowing is likely to help reduce food prices, it added.

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'Past decade saw inequality dip with inclusive growth'

Without directly wading into the debate over the rise in income and wealth inequality in the country, the Finance Ministry on Friday asserted that India has experienced "inclusive growth" over the past decade, citing "reassuring findings" of the Household Consumption Expenditure Survey of 2022-23.

"The rural-urban divide in MPCE [monthly per capita consumption expenditure] has declined considerably. Within rural and urban areas, the consumption of the lowest 5% of the MPCE population grew at a faster rate than the top 5%, pointing to a decline in economic inequality over the last decade," the Ministry contended in a review of the economy.

Juxtaposing the MPCE numbers with the per capita gross national income, or PCI, revealed an inclusive trend in economic growth, it argued. "The MPCE/PCI ratio has increased for all consumption classes except the top 5% in rural India and the top 10% in urban India. This progress occurred despite the once-in-a-century COVID-19 pandemic," it stressed.

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Real GDP growth may hit 8% this fiscal year, signals FinMin

India's economy may well end up growing by about 8% this fiscal, outstripping the 7.6% real GDP growth projected by the National Statistical Office (NSO), the Finance Ministry signalled on Friday, citing the continuing momentum in economic activity in the ongoing final quarter of 2023-24.



Despite risks such as “hardening crude oil prices” and “global supply chain bottlenecks to trade”, the Ministry asserted the outlook for India’s economy in 2024-25 was bright with this fiscal closing on a positive note of ‘strong growth, stable inflation and external account and progressive employment outlook’.

The Ministry, in its monthly economic review for February, said that retail inflation had extended its stay inside the Reserve Bank of India’s tolerance range of 2% to 6% for a sixth consecutive month with core (excluding food and fuel) inflation continuing to ease.

“Despite price volatility in certain specific food items, headline inflation stayed below 6% throughout this year except in July and August,” the Ministry said, adding that spices and cereals had recorded the lowest inflation since August 2022 last month. For the coming months, the inflation outlook was positive, it emphasised, citing the pick-up in the sowing of summer crops, which was likely to help reduce food prices.

Arguing that robust investment activity was “clearly underway”, the Ministry said that private consumption demand was strengthening as seen in indicators like “burgeoning air passenger traffic and sale of passenger vehicles, digital payments, improved consumer confidence and expectations of a normal monsoon”. The review, however, appeared to acknowledge that private consumption demand was backed by ‘resilient urban demand’ while rural demand was weak.

“The recovery in rural consumption demand is expected to be strengthened by the forecast of a normal monsoon in 2024-25,” it said. Moreover, it underlined that an increase in domestic household savings would be necessary to finance private sector capital formation in the economy.

“On the external front, the narrowing merchandise trade deficit and the rising net services receipts are expected to result in an improvement in the current account balance in 2023-24. However, in 2024-25, the current account deficit will bear watching,” it averred, hinting at the risks to goods exports and possible oil price surges due to the Red Sea crisis and the drought in the Panama Canal.

Citing the recent growth projections of 7.8-8% for 2023-24 from certain rating agencies and banks’ economic researchers, the Ministry said this inclination stemmed from the NSO’s growth estimate for the year, which implied a 5.9% pace in the fourth quarter. This



“is likely to be an understatement given the continuing momentum of the economy,” the Ministry reckoned.

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Cotton Dropped After CAI Revised Production Estimates Upwards To 309.70 Lakh Bales

Cotton prices experienced a decline of -0.8% yesterday, settling at 62040 rupees per candy, driven by several factors impacting the global cotton market. The Cotton Association of India (CAI) revised its cotton production estimates upwards for the current season, projecting a higher production of 309.70 lakh bales compared to the previous estimate of 294.1 lakh bales. This upward revision, along with increased supply expectations globally, contributed to the downward pressure on prices. In addition to the higher production estimates in India, Cotton Australia raised its production forecast to "at least" 4.5 million bales, benefiting from widespread rainfall.

However, U.S. cotton production forecasts for the current season were reduced, based on the March 8 Cotton Ginnings report, leading to lower ending stocks. Despite these adjustments, global cotton supply and demand estimates for 2023/24 showed higher production, consumption, and trade, but lower ending stocks. Furthermore, the Southern India Mills' Association (SIMA) urged textile mills in the southern States to refrain from panic buying, highlighting the recent hike in domestic cotton prices. The price of the widely-used Shankar - 6 variety of cotton surged from ₹55,300 to almost ₹62,000 a candy in the span of two weeks. Capacity utilization at mills increased to 80%-90%, with around 20 lakh bales already contracted for exports.

From a technical perspective, the cotton market witnessed fresh selling, indicated by a notable increase in open interest by 11.04% alongside a significant price decline of -500 rupees. Presently, cotton finds support at 61680 rupees, with potential downside testing at 61330 rupees. Resistance levels are likely to be encountered at 62600 rupees, and a breakout above this level could lead to prices testing 63170 rupees.

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UP taking 'Udyam' route to trillion dollar economy



Read more at : [Uttar Pradesh Industrialization: Up Taking 'udyam' Route To Trillion Dollar Economy | Lucknow News - Times of India \(indiatimes.com\)](#)

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