TEXTILE TIMES

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CONSCIOUS & CONTINUOUS CHANGE TOWARDS

Chairman's Word

At the outset, I would like to extend my best wishes to the reader of Textile Times on this auspicious occasion of Diwali! Diwali marks the beginning of festive season across the globe followed by Christmas and New Year! I am hopeful that the businesses, including textiles will get the much-needed boost to come out of this recessionary trend prevalent across the globe.

I whole-heartedly thank all the Past Chairmen and Committee of CITI for reposing their trust & faith on my abilities and re-electing me as Chairman-CITI. Past few years have been quite difficult not only for the textile industry but also for the other industries. Together, we have been able to perform under challenging conditions and CITI will continue to work towards development of the sector in existing and new areas.

One of the new areas is the futures market for cotton, where CITI plans to actively work towards a more representative and responsive cotton futures market. As the Chairman of the Reconstituted Product Advisory Committee (PAC) of MCX, I am working with the industry experts and industry bodies for modifications in the specifications of the cotton futures contract to curb speculation and protect the interests of the entire cotton value chain, including cotton farmers. We hope the MCX will help in optimising price discovery and help the textile industry to get the raw cotton at better competitive prices and enhance its cost competitiveness in the international market.

The global recessionary trend is already taking its toll on India's overall export performance. As per DGCI&S recent estimates for the month of September 2022, the Textile exports have registered a degrowth of -31.88% during Sept 2022 over the previous year while Apparel exports registered a degrowth of -18.06% during the same period. In total, exports of Textiles and Apparel registered a decline of -26.67% during Sept 2022 as compared to previous year. Similarly, during Apr-Sept.'2022, the Textile exports registered a degrowth of -16.98% over the previous year, however, Apparel exports registered a growth of 11.42% during the same period. In total exports of Textiles and Apparel registered a degrowth of -6.26% over the previous year. The share of Textiles and Apparel exports declined to 7.14% from India's total merchandise exports which stood at 10.21% in the previous year.

However, there are silver linings – the developments in UK, India's relatively higher GDP growth rate, India playing a pivotal role in G20 and other international platforms, etc are all positive externalities that should help India's trade and investments. While most of the OECD nations are facing recessionary trends due to various geopolitical reasons, India under the leadership of Hon'ble Prime Minister is emerging as the most stable alternative for manufacturing and sourcing. In a recent meeting with the exporters and industry bodies, Shri Piyush Goyal stated that India will achieve the export target of $2 trillion by 2030 despite global headwinds, with merchandise shipments of $1 trillion. Merchandise exports will grow at a CAGR of 11-12% and service exports at 18-19%. He also assured the exporters that if India don't lose the growth momentum, the country will become a $30-trillion economy by 2047.

Hence, it is my humble appeal to the industry captains to keep their focus on increasing exports of value-added textile products not only to developed nations like UK, USA and Europe but also try to penetrate into new markets where India has so far either not looked into or have very miniscule or negligible share.

CITI recently organised awareness webinars on BIS Standards/ QCOs for the Textile Sector and GST Updates and its impact on the textile sector. Both events received overwhelming response from the industry stakeholders and appreciated CITI's efforts. CITI invites your suggestions for conducting more such awareness creation sessions.

Lastly, I take this opportunity to wholeheartedly thank Shri Upendra Prasad Singh, Textile Secretary, who superannuated on 31st October 2022. His vision and commitment to the industry's growth was demonstrated in his successful steering of the industry through the pandemic and post- pandemic crisis. The new textile schemes like RODTEP, PLI and PM (MITRA) Schemes were a result of his vision and understanding of the industry's needs will surely lend towards a holistic growth of the sector in the coming years. I wish him good luck and healthy & prosperous life ahead! I also welcome & congratulate Ms. Rachna Shah, on her appointment as the new Textile Secretary. The industry looks forward to continue working in partnership with the Govt for stronger and inclusive growth of the sector.

T. Rajkumar

Chairman - CITI

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Chandrima Chatterjee
Secretary General
Confederation of
Indian Textile Industry (CITI)
Email: sg@citiindia.org

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Indian Textile Industry (CITI)
6th Floor, Narain Manzil
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Fax: +91-11-41519602 Web: www.citiindia.org

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With growing concerns over Climate Change, efforts towards Sustainability in pre and post production of textiles and apparel is growing. From the ITMF Annual Conference 2022 to all the seminars I have been part of in the last quarter, the discussions have been around the What's and How's of sustainability. India's commitment to reduce emission intensity of its GDP by 45% by 2030 and reach net zero by 2070 are ambitious targets, which is now resonating in industry's vision too.

Textile and clothing industries, though recognized as one of the most important industries from the socio-economic point of view, is also subject to environmental concerns specially at the processing stage as the chemical operations like sizing, bleaching, dyeing, printing, and finishing have severe ecological impacts.

The total greenhouse gas emissions from the textile production currently stand at 1.2 billion tonnes annually - more than that of all international flights and maritime shipping combined, says the journal Nature Climate Change. It is estimated that the fashion industry is responsible for 10 percent of global carbon emissions. According to UNFCCC, the sector's emissions are to rise by more than 60 percent by 2030 if transformation towards a sustainable fashion industry fails to materialize soon.

Carbon footprint is an essential ecological parameter representing the amount of greenhouse gas emission due to the production and use of different materials. However, it is difficult to calculate CO2 emissions for the textile industry because of a diverse and heterogeneous sector by nature.

The main environmental problem of the textile and clothing industry consists of water body pollution and carbon emissions caused by the discharge of untreated effluents. The industry also generates air pollution before processing fibres, and during Spinning and weaving, it creates dust, cotton lint, etc., which degrades the industry's working environment.

The Government of India has already identified textiles as a high-emission-intensity sector and asked the industry to prepare a roadmap for reducing CO2 by 2030. Further, industry analysts believe the need of the hour for the entire fashion and textile segment is to be part of the circular economy, avoiding waste by recycling, reusing, and repurposing clothes. Using renewable energy, such as solar or wind power, is one way the sector may make beneficial improvements. This will substantially cut the amount of energy required by manufacturers and increase global sustainability. The necessary reductions in GHG emissions will not be attainable until we manufacture less, purchase less, and get much better at dealing with garment end-of-life.

The commitment of the various stakeholders including Govt and industry is visible from the various on-ground- action being worked upon. The Ministry of textile's Working group to identify and incentivise sustainable technologies and machinery is one such initiative. CITI has shared the scope of this working group and requested for your suggestions on the same. The new Policy thrust for encouraging Extended producer responsibility (EPR), encouraging data generation and documentation on GHG emissions and action towards reduction of the same, large scale stakeholder consultations etc are all converging towards India Inc's stride towards becoming a responsible production source.

With India becoming the fastest growing economy, I think this move is going to give an indomitable edge to India over other producing nations in the years to come and compliment our efforts for higher value realisation as the “valuation” paradigm has this new dimension added to it. The determining factor will be the level playing between the producers and buyers. India needs to play a leading role in indigenising sustainable technologies and products and align to the growing requirements for sustainable and circular products. But the cost for such transformations need to be shared in an equitable manner as also the gains.

Chandrima Chatterjee
Secretary General - CITI

CONSCIOUS AND CONTINUOUS CHANGE TOWARDS NET ZERO

Mr. Nishad Nanavaty
Head - Business Development, ENEN Green Services Private Limited

This phrase above brings in a lot of questions, followed by reasons to follow or continue as usual, but we hope this article kindles and hopefully prepares us to embrace our collective future.

We are past convincing each other on climate change being real or not, as we see a lot happening right now throughout the globe. We are facing many adversities like extended summers, changes in rainfall patterns, extreme floods and cyclones, etc because of climate change. The foremost contributor is the unprecedented level of greenhouse gas emissions, which traps the heat inside our atmosphere leading to climate change affecting each and every life form including us as individuals, businesses, or governments.

Currently, total greenhouse gas emissions from textiles production, at 1.2 billion tonnes annually

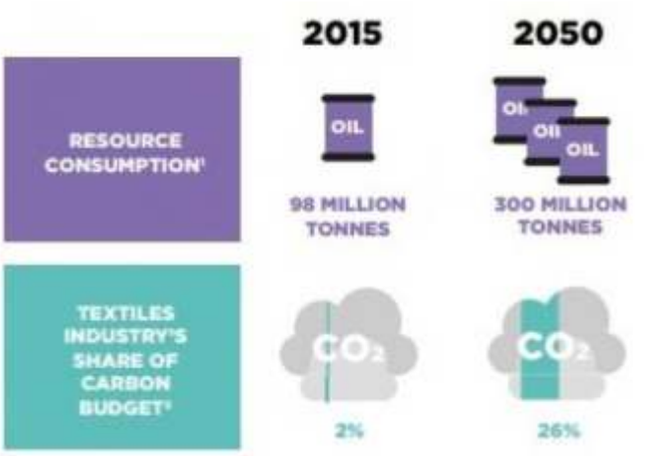


Image Courtesy – Down to Earth magazine by CSE

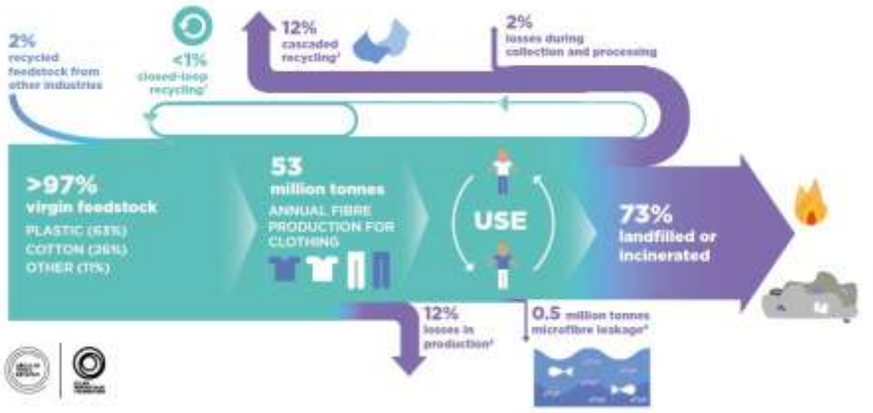


Image Courtesy - NEW TEXTILES ECONOMY: REDESIGNING FASHION'S FUTURE Report by Ellen MacArthur Foundation

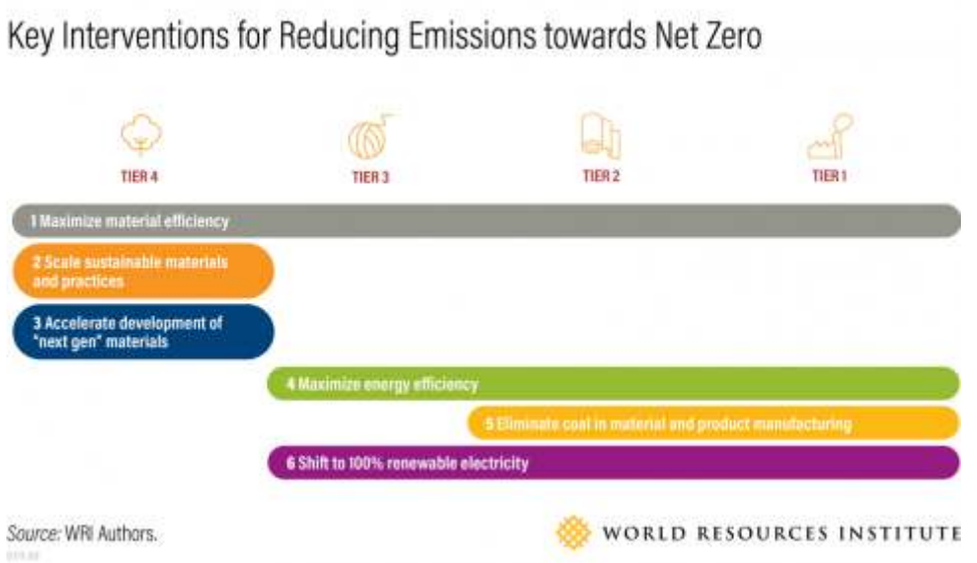
(UNFCCC). By some estimates, sector emissions are expected to rise by more than 60 percent by 2030 (UNFCCC). A report by Ellen MacArthur Foundation warns that by 2050 the fashion industry could use more than 26% of the carbon budget associated with a 2C pathway leading to permanent and catastrophic climate impact.

This is also accelerated from the fact that clothing utilisation has decreased by 36% over the last 15% years and less than 1% of the material used in producing clothing is recycled in new garments (DTE). This clearly highlights the scenario and psychic where clothing is barely worn and rarely recycled. All of the above indicate a significant rise in environmental impact through GHG emissions, water pollution and mounting landfills.

The solution to the dark times ahead is acting now and adopting sustainability practices that lead us to Net Zero. There are various standards and tools available to adopt sustainability which are CDP, SBTi, ISO 14064, GOTS focused on textile and Higg Index. But, the first step is that every textile unit irrespective of their size should adopt Carbon Footprint analysis to understand their current standing.

The more elaborate sustainability standards are GRI, SASB and TCFD based on high adoption. Indian Textile and RMG manufacturers are facing a lot of trouble because of this due to lack of awareness and practical knowledge.

The MSME sector and especially the SME segment is trying to keep up with the regulatory changes and increasing buyer demands on sustainability standards. The variety and complexity of the standards and the reporting structures are overwhelming for a regular MSME unit. This is where we at ENEN Green Services Pvt Ltd are focused on, we would like to help the entire value chain in the textile industry be aware, adopt and drive sustainable actions. For this we have also started a movement "Conscious and Continuous Change towards Net Zero" at no cost for any association, MSME or individual to join and help take the message forward on the much-needed change for a sustainable future.



FASHION RETAIL INDUSTRY LANDSCAPE AND EMERGING TRENDS

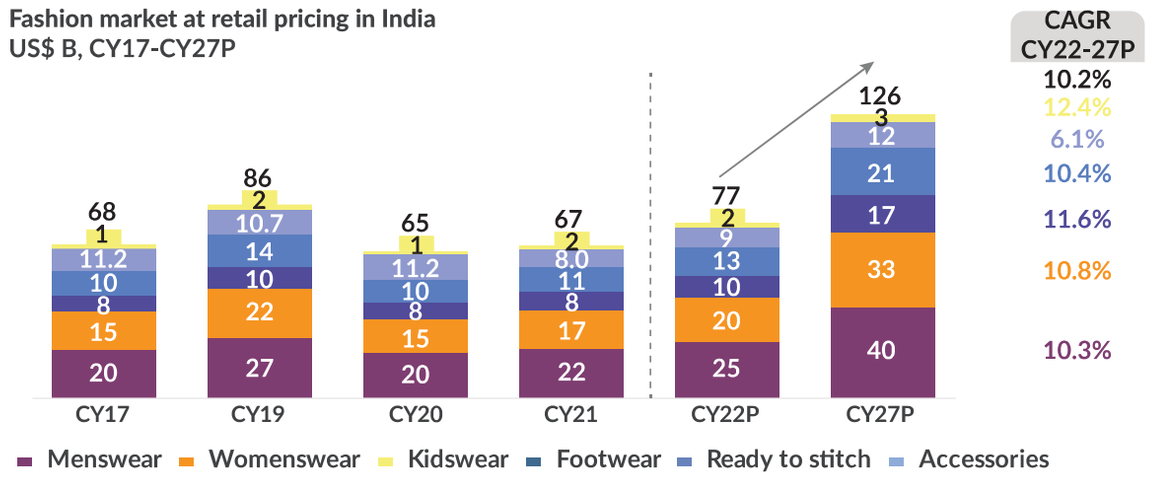
Mr. Ashish Dhir
EVP, PGA Labs –a market research and business intelligence firm

Introduction

- Fashion retail (apparel + accessories + footwear) is the 2nd biggest category after Food & Grocery in the overall Indian merchandise retail market of ~US$ 830B in FY22. The fashion market is expected to grow from US$ 77B in CY22 to US$ 126B in CY27, growing at a 10% CAGR
- Overall retail market has now recovered to reach the pre-pandemic levels. While fashion retail has not yet reached the pre-pandemic levels, the outlook for the next 5 years looks quite bright
- One of the positive impacts of the pandemic was the significant rise in e-commerce and digital adoption. E-commerce has become the mainstay of the retail industry. For the fashion category, the contribution of the online channel is now more than 20%
- This festive season is expected to be a big boost for the fashion retail market and sales volume during this period will pave the way for further growth in the next financial year
- Here, we have covered the broad landscape of the fashion retail industry and how the Fashion and Apparel space is changing in India - emerging trends and underlying drivers

Indian fashion market, currently at US$ 77B is expected to grow at a CAGR of 10% to reach US$ 126B by CY27

Growth in kidswear, womenswear, footwear, menswear (10.1% to 11.6%) to straddle between ready to stitch (6.1%) and accessories (12.4%)



Key trends

Menswear	• Increasing disposable income, urbanization, and attention to grooming and appearance • Influx of new menswear-focused brands and expansion of domestic and foreign brands/retailers in Tier I and II cities
Womenswear	• Increasing female labor force participation in the white-collar workforce • Wardrobe expansion in both ethnic and western wear and a shift from need-based buying to aspirational
Kidswear	• Rising number of young population & nuclear families • Active participation in purchase due to media exposure, family's spending disposable income on kids • Increasing penetration of schools with uniforms
Footwear	• Brand-conscious millennials & exposure to global fashion trends • Entry of various national and global brands is helping the segment growth
Ready to stitch	• Market growth due to women seeking exclusive, customized ethnic wear like designer wear which is more accessible now
Accessories	• Covid decreased demand for apparel accessories with more WFHs which is expected to continue. • Sale of masks (protective and decorative) has flattened

Note(s): US$ 1 = INR 79
Source(s): Industry reports, DRHP, Secondary research, PGA Labs analysis

Emerging trends in the apparel industry

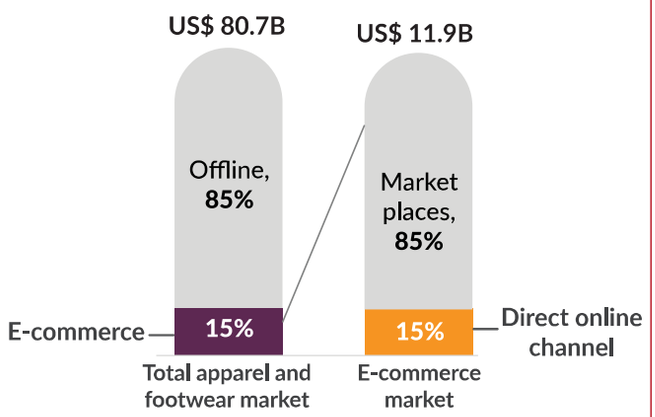
1. D2C channel is re-defining the fashion retail
2. Athleisure is the fastest growing segment
3. Increasing role of technology for better retail experience
4. Demand for sustainable fashion is increasing
5. Re-commerce market is booming

Note(s): US$ 1 = INR 79
Source(s): Industry reports, DRHP, Secondary research, PGA Labs analysis

Apparel and footwear D2C market size was ~US$ 3B in FY22 and is projected to reach ~US$ 14B by FY27, growing at a CAGR of 35%

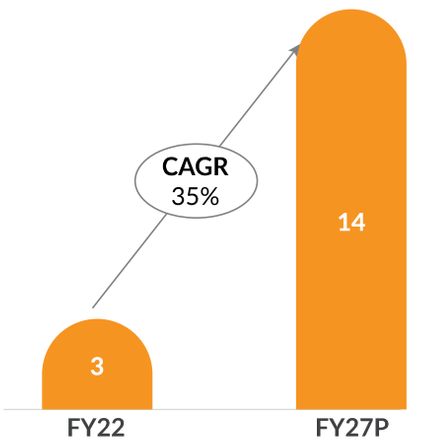
Of the total ~US$ 81B market, 15% sales are through e-commerce of which ~15% sales are DOC

Break-up of total apparel and footwear market to direct online channel market FY22, %



Apparel and footwear D2C market size was ~US$ 3B in FY22

Apparel D2C market
US$ B



Key success factors for D2C brands	
Margins and AOV	• Apparel and footwear product category ensures high AOVs with good margins ranging between 40 – 60%
Regular stock update	• D2C brands update their designs, and styles regularly to keep the customers engaged and to increase repeat purchase frequency
Design to product launch timelines	• D2C brands offer the latest designs influenced by data-driven insights through granular data analysis, thereby minimizing the time required from design to product launch
Product innovation	• Innovative offering in terms of style, cloth material
Better customer experience	• D2C brands ensure better customer experience especially across sub-categories – women's innerwear, eyewear
Structured supply chain and lower inventory risks	• Well-established agile supply chain to minimize inventory risks and serve high demand volatility

Source(s): Secondary research, Industry reports, PGA Labs analysis

Indian athleisure market is expected to increase from US$ 1.5B in FY22 to US$ 3.8B in FY27, growing at 20% CAGR

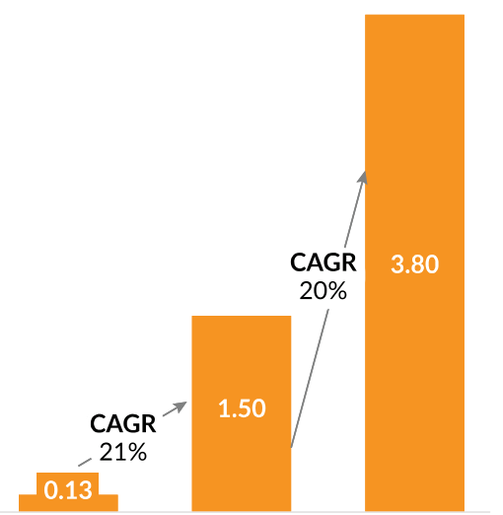
- A shift among millennials towards flexible working has created an acceptance of a more casual dress code in the workplace, therefore, witnessing a rise in the athleisure category

- The popularity of gyms and athletes, who often flaunt their active lifestyle and fashion choices on social media channels have also led to the rise of athleisure

- Brands are promoting products as an essential element of a healthy and fitness-conscious lifestyle thereby leading to higher sales

- Growing demand for sports, yoga activities and fast-changing lifestyle has added to the popularity of athleisure

Indian athleisure market
US$ B



Existing international brands in athleisure

Existing Indian brands in athleisure

Note(s): Athleisure includes sportswear and activewear
Source(s): Secondary research, Industry reports, PGA Labs analysis

Retailers are leveraging in-store technologies to enhance customer experience

Increasing role of technology for better experience

Endless aisle

- Enhanced experience for consumers who prefer to buy both online and offline by providing wider choices and fast service
- Enables the retailers to reduce the physical inventory and floor space

Retail digital signage

- The Indian digital signage market is expected to surpass US$ 1628.5M by 2028 at a 15.2% CAGR
- Increases visitor engagement in a retail store
- As per research, 80% of people visited a shop because digital signage captured their attention

Virtual fitting software

- Virtual fitting room market is expected to reach $6.5M by 2025, growing at 13.44% CAGR
- VFS allows retailers to create custom-sized charts enabling customers to find sizes and style profiles that best fit their need

In-store customer analytics

- Technology such as Merakis helps retailers understand the behavior of consumers in-store and allows retailers to make more informed decisions thus creating a smooth in-store shopping experience

Digital kiosks Technology

- Interactive kiosks engage consumers and makes them more invested in the store
- Increases employee productivity
- Data from the digital kiosks can be used by retailers to decide which segments are gaining traction

Two-way QR codes

- Such codes allow consumers to scan product details at any point of their purchase journey meanwhile providing customer insights to retailers
- Retailers can choose the content that they want to show to the consumers

Source(s): Secondary research, Industry reports, PGA Labs analysis

Rise in demand of sustainable fashion has led to an increase in the consumption of conscious clothing

Support from the government and increasing consumer demand is driving growth

Key growth drivers	Description
Regulatory support	• In association with the top 16 retail brands, Ministry of Textiles has launched Project SU.RE (Sustainable Resolution) that contributes to a cleaner environment – a step towards a responsible and smart business • Signatories have pledged to source or utilize a substantial portion of their total consumption using sustainable raw materials and processes
Conscious consumers	• Consumers are shifting towards reducing waste, increased recycling, being considerate of product life cycles, and supporting sustainability • As per a recent survey, 83% people consider sustainability while buying fashion products
Circular fashion	• Circular fashion aims to keep cloths and materials in use through recycling, repurposing and avoiding where possible making completely new products • Results in reduction of amount of ecologically harmful waste in the environment

Emerging Indian apparel brands focusing on sustainable fashion

Brand	Description
NICOBAR	• Nicobar focuses on using sustainable fabrics like bamboo, TENCEL, modal etc. • No chemicals and pesticides are used in the production process
Doodlage	• Doodlage upcycles factory waste, recycles post-cutting scraps and post-consumer waste into new fabrics • Its waste is also segregated and made into accessories
B+Label	• Uses organic fibres for their clothing which lasts years due to qualities like mold and mildew resistance, UV rays resistance and carbon negative
UPASANA	• They make use of handlooms, natural dyes, block prints, organic cotton, healing textile and upcycling in order to reduce energy consumption
no nasties +	• Its clothing is made up of 100% organic cotton, 100% fair trade factories, vegan and in the absence of any harmful chemicals

Source(s): Secondary research, Industry report, PGA Labs analysis

Spending attitude of Millennials and Gen-Z in India is shifting towards thrifting, driven by environmental consciousness and cost sensitivity

1 Cost effectiveness

- Pre-owned clothes are recycled at a discounted price
- Trending / premium quality clothes are available at extremely cheaper prices

2 Environmental consciousness

- Reduces carbon footprints and keeps clothes out of landfills
- Re-commerce facilitates recycling and reusing items rather than producing new ones

3 Rise of digital thrift marketplaces

- Accelerated growth of digital thrift marketplace ranges from offering a large variety of content (eBay, Poshmark, etc.) to curated content targeted to niche segments (TheRealReal, etc.)

4 One-of-a kind-wardrobe

- Motivation to build a unique closet with a variety of clothes at affordable prices

5 Retailer's incentive

- Retailers are looking to expand into resale to boost revenue and increase customer loyalty
- Retailers enjoy improved margins in some cases by selling the same items multiple times

6 Middle income groups trying to fit in

- Re-commerce has paved the way for the low / middle income millennial groups to follow fast fashion trends
- Easier way of availing designer clothes to fit into rich societies

Source(s): Secondary research, Industry report, PGA Labs analysis

Conclusion

- Fashion retail market in India has bounced back sharply in 2022 after the pandemic and future projections for next 5 years are 10%+ growth rates for all the categories
- D2C channel has redefined the fashion retail in last few years and multiple brands in different categories have reached INR 100 cr+ revenue within 5-6 years of launch
- Apparel D2C market is expected to grow at high CAGR of 35%+ for next 5 years. Along with the growth of existing brands, new D2C brands will emerge and grow rapidly
- Athleisure has been the fastest growing category within apparel for last 2-3 years and is expected to keep growing @ 20% for next 5 years
- Consumer experience (offline and online) is the focus of brands and retailers and there will be accelerated growth of omnichannel strategy
- Technology will play even more important role in years to come in all aspects of business for fashion brands and retailers
- Sustainability will become a key driver of growth and differentiator for brands
- Thrifting trend is expected to grow in fashion due to change in spending attitude of Millennials and Gen-Z

Retailers and brands should consider all these emerging trends and growth drivers to prepare themselves for the future. Textile and apparel manufacturers will have to accordingly adjust to the needs of brands and retailers and be future ready.

MINISTRY OF TEXTILES IN COLLABORATION WITH UNEP ORGANIZES AN EVENT ON SUSTAINABILITY IN THE TEXTILE VALUE CHAIN IN INDIA: STAKEHOLDER CONSULTATION

Shri Upendra Prasad Singh, Secretary, Ministry of Textiles, Ms. Prajakta Verma, Joint Secretary, Ministry of Textiles & other national and international stakeholders including UN Resident Coordinator in India, Ms. Shombi Sharp, UNIDO, ILO, GIZ officials during an exchange of agreement between the Textiles Committee and UNEP

The Ministry of Textiles celebrated World Cotton Day 2022 by organizing a national level consultation on Sustainability in the Textile Value Chain in India in collaboration with UNEP and CCI.

A one-day Stakeholders Consultation on "Sustainability in the Textile Value Chain (TVC) in India" was also organized last week (on 7th October 2022) in New Delhi to commemorate the World Cotton Day. Shri Upendra Prasad Singh, Secretary, Ministry of Textiles, Ms. Prajakta Verma, Joint Secretary, Ministry of Textiles & other national and international stakeholders including UN Resident Coordinator in India, Ms. Shombi Sharp, UNIDO, ILO, GIZ officials during exchange of agreement the Textiles Committee and UNEP.

The main objective of the meeting was to put forward and discuss the sustainability initiatives across the textile value chain, digital interventions along with potential strategies for enhancing Sustainability/ Circularity in the Indian textile value chain.

Though attempts have been made in past to attain sustainability in its value Chain, there is a need to

Shri Upendra Prasad Singh addressing the session on the importance of sustainability and circularity in the Textile Value Chain in India

address the issues of sustainability and circularity in the Textiles sector more holistically and in a focused and institutionalized manner if India must achieve its leadership role in the sector in this environmentally conscious market. Keeping the above factors in mind, the United Nations Environment Programme (UNEP) India and Textiles Committee have joined hands to support the Textile, Trade & Industry on this endeavor with proactive support and guidance of Ms. Prajakta Verma, Joint Secretary Fibre who is heading the newly created Sustainability Cell in the Ministry of Textiles.

A Co-operation agreement has been signed between UNEP and the Textile committee on designing a campaign on "Mainstreaming sustainability and circularity in the Textile sector"

Shri Upendra Singh, Secretary, MoT addressing the session on importance of sustainability and circularity in the Textile Value Chain in India.

Shri Upendra Singh, Secretary, MoT who presided over the first session, during his address emphasised on the importance of sustainability and circularity in the Textile Value Chain in India.

He also pointed out that though the textile parks are equipped with CETP facilities, the textile industry is still facing problems in effluent management due to the unavailability of data on waste generation from the processing clusters. He emphasized that this meeting would have a great impact on evolving an action plan on sustainability which is no longer a choice for the industry.

The national consultation provided a platform for the industry and the stakeholders in Textile Value Chain to deliberate on the current status and way forward for mainstreaming sustainability circularity and traceability in the textile sector.

Ms. Prajakta Verma, Joint Secretary, MoT along with Shri Shombi Sharp, UN Resident Coordinator, Shri. Atul Bagai, Head –UNEP India Country Office, Ms. Bhawna Singh, Assistant Director MOEFCC also presided the first session.

Shri Atul Bagai, Head UNEP India Country office started the meeting with Welcome Remarks, appreciating the unique initiatives being made by the Ministry of Textiles including the creation of sustainability cell within the ministry. He highlighted the principle of "Prakrathi Devo Bhav" to enable a sustainable future.

In his opening address, Shri Shombi Sharp, UN Resident Coordinator mentioned that Indian Textile industry is the very important sector of Indian economy in terms of economic production as well as one of the largest providers of jobs. He appreciated the efforts of the Ministry for initiating steps towards embedding sustainability in the sector.

Ms. Prajakta Verma, Joint Secretary, MoT emphasized it is the need of the hour to critically evaluate approaches in a world which is driven by the 2030 Sustainability and the Climate agenda. This conference is setup in the context to devise a multistakeholder approach which is a key to drive us to the future.

Ms. Bhawna Singh, Additional Director, Ministry of Environment, Forest and climate Change emphasized that India is one of the largest apparel and textile sourcing regions in the world due to abundant availability of raw materials and skilled work force.

Dr. Pradeep Kumar Agarwal, CMD, CCI elaborated the new initiative of CCI for Traceability of Cotton Bales using Block Chain Technology in collaboration with Textile Committee followed by Shri Ajay Chavan, Secretary and CEO of Textile committee briefed about the block chain enabled QR Code for live monitoring of cotton bale inventory.

It may be noted here that the Textile Value Chain (TVC) plays an important role in the world economy but at the same time is also adversely contributing towards the environment. According to estimates, the global textile industry emits 1.20 billion tonnes of CO_2 equivalent per year and it is estimated that every second an equivalent of one garbage truck of textiles is either burnt or land filled. Hence, it is difficult to visualise a sustainable world without sustainable fashion industry. As a major player in the Textiles and Apparel sector, India is also experiencing the challenge of balancing its growth in TVC with sustainability in production & consumption of textiles.

RIETER

MINIMIZING CONVERSION COSTS THROUGH EMPLOYEE TRAINING

Labor expenses in different countries account for anywhere between 6 and 13% of total yarn production costs. The right training can make a world of difference. Rieter's INmill customer trainings teach mill staff how to minimize conversion costs, so they can have a positive impact on the spinning mill's bottom line.

Controlling and optimizing conversion costs is key for any mill manager in order to produce yarn profitably.

When investing in new machines and systems, mill managers need to be sure their machines run trouble-free from day one to avoid costly losses. It is therefore crucial to invest in the workforce's know-how so they can utilize machines most effectively.

Know-how is the key to success

Industrial yarn manufacturing is highly competitive. Know-how hence represents an important part of a mill's investment. State-of-the-art technology, advancing automation technologies, and fast-changing market requirements increasingly call for expertly trained staff in spinning mills.

When a highly productive spinning machine stands still because of a batch change, trouble or faulty running, this may result in considerable production loss. It is necessary to detect and solve problems fast. This can only happen with profound machine know-how.

The Rieter INmill customer training helps instruct the technical team to make sure that all qualitative and quantitative resources of the machines are used to their fullest potential. Mechanical and electronic issues are professionally located and quickly sorted out.

Today, spinning machines are easier to operate. Even so, high utilization and efficiency can only be ensured if maintenance settings and professional troubleshooting are optimized. With an INmill training program, the required know-how can be taught to the spinning mill's technical team.

Apart from the technical know-how, it is of utmost importance that the technical team can detect hidden economic inefficiencies in the spinning process and take measures to control them.

Designed around the specific challenges spinning mills face regarding cost and quality requirements, Rieter developed a training module called the Mill Economics training course. It covers the key success factors of spinning mills: productivity, quality and conversion costs. The Mill Economics training course aims to connect theory with practice and provides insights into how to increase profit margins while producing consistent yarn quality.

Controlling and optimizing conversion costs is key for any mill manager in order to produce yarn profitably.

When investing in new machines and systems, mill managers need to be sure their machines run trouble-free from day one to avoid costly losses. It is therefore crucial to invest in the workforce's know-how so they can utilize machines most effectively.

Any technical and management measure in a spinning mill also impacts its overall commercial performance. However, success in the spinning industry requires the right preparation. This includes timely training of the technical team.

Tailored training programs

Rieter provides training to ensure sustainable production and top mill performance. Thanks to a modular concept, customers can design their own training according to their needs, focusing on a specific machine type, a certain in-house audience, or both.

Rieter also offers INclass trainings at its training centers in Switzerland, India and China, where participants benefit from hands-on experience on installed machines in well-equipped classrooms. The trainings are conducted by Rieter customer education specialists and provide ideal and real-life training environments.

Customer Testimonials

"The Rieter INmill training was a wonderful practical course. This course was done with real life examples which made it enjoyable and helped us to optimize machine output with respect to productivity and quality. The training has enriched technical knowledge as well as confidence of our employees to face daily challenges and troubleshooting."

Mahbubul Alam, COO – Pahartali Textile, Bangladesh

"We manage to run the machine at its maximum utilization thanks to the know-how acquired during the Rieter INmill training program. Trained by Rieter experts, our staff benefits from practical learning on machines and receives support and advice on daily challenges."

Eric Noe, President – Buhler Quality Yarns Corp, USA

"The Rieter INmill training program taught by Rieter experts, enables our workforce to perform their roles with greater success. This also enriches their jobs, giving them greater satisfaction. We can see a huge improvement in productivity and quality as the approach to maintaining and troubleshooting machines has professionalized."

Sheikh Md. Shamim, General Manager – Purbani Synthetic Spinning Ltd, Bangladesh

"The INmill machine training featuring know-how on planned and proper maintenance of the machines helped us achieve maximum machine utilization. It further enabled our employees to cope with their daily challenges and strengthened team spirit. The economics training inspired us to implement a potential cost reduction idea and it supports us in keeping our conversion costs under control."

Md. Rafiqul Islam, General Manager – Mozzaffar Hossain Spinning Mills Ltd, Bangladesh

Rieter is the world's leading supplier of systems for manufacturing yarn from staple fibers in spinning mills. Based in Winterthur (Switzerland), the company develops and manufactures machinery, systems and components for the optimal cost-effective processing of natural and man-made fibers and their blends. Leading spinning technology from Rieter contributes to sustainability in the textile value chain by minimizing the use of resources. Rieter, which has been in existence for over 225 years, has 18 manufacturing locations in ten countries and employs a global workforce of some 5 480, about 16.5% of which is based in Switzerland. Rieter is listed on the SIX Swiss Exchange under ticker symbol RIEN. www.rieter.com

64TH ANNUAL GENERAL MEETING OF CITI HELD ON 29TH SEPTEMBER 2022 THROUGH VIDEO CONFERENCING

Shri T. Rajkumar, Chairman, CITI addressing the audience at the 64th Annual General Meeting of CITI

Confederation of Indian Textile Industry (CITI) held its 64th Annual General Meeting (AGM) on 29th September 2022, through video conferencing. Shri Rajkumar, Chairman, CITI urged the industry captains to work hard to achieve the target of having market size of US$ 350 billion, including US$ 100 billion exports by 2025-26 set by the Hon'ble Union Minister of Textiles for the T&A Industry. He stated that the Government of India has done a lot, on its part, and now it's for the industry captains to take full advantage of the ecosystem and achieve new goals and attain Atmanirbharta in the textile sector!

- **CITI Re-elects its Office-bear ers for the year 2022-23**

Following the 64th AGM, the newly Reconstituted Committee of CITI unanimously re-elected Shri T Rajkumar as Chairman, CITI, Shri Rakesh Mehra as Deputy Chairman, CITI and Shri Ashwin Chandran as Vice Chairman, CITI for the year 2022-23.

Shri T. Rajkumar thanked the Committee Members for reposing their belief on him and assured that he will try to resolve the industry challenges with best of his capacities.

VISIT OF INDIAN TEXTILE TRADE DELEGATION TO ITALY

DURING SEPTEMBER 2022

Italian Trade Commission (ITA), New Delhi and ACIMIT (Italian Textile Machinery Association) as a part of their initiatives to promote Italian textile sector focusing on "Italian Green Technologies Supporting Sustainable Textile Processes" between India and Italy, hosted Indian textile delegation comprising representatives of leading Indian textile companies from India to Milan and Conegliano in Italy from 18th – 24th September 2022. Representatives from CITI Member Companies like Vardhman Textiles, Arvind Ltd., RSWM Ltd., Winsome Yarns, Technocraft Industries (P) Ltd., Bhasker Industries, Loyal Textiles, Omaxe Cotton and Mr. Manoj Sharma, Joint Secretary, CITI were part of the Indian Textile Delegation. Members of Indian Technical Textiles Association (ITTA) and officials from DKTE Society's Textile & Engineering Institute also joined the delegation.

An MOU was signed between Confederation of Indian Textile Industry (CITI) and Association of Italian Textile Machinery Manufacturers (ACIMIT) on 25th March 2019 at ACIMIT Headquarter to enhance mutually beneficial cooperation and exchanges in the textile and clothing industries and to support each other in the events that either is organising.

During the current visit, ITTA and DKTE also signed MOU with ACIMIT for Trade Promotion and Cooperation.

ACIMIT (the Association of Italian Textile Machinery Manufacturers) is the Italian Association serving the Italian companies that produce textile machinery and related accessories since 1945. ITA - Italian Trade Agency is the Governmental agency that supports the business development of Italian companies abroad and promotes the attraction of foreign investment in Italy.

Series of B2B meetings and factory visits along with company presentations were organised by ACIMIT. Indian textile delegation visited various Italian textile machinery and technology related factories during the visit.

During the Visit ACIMIT also felicitated Indian delegates with a certificate for their observations and understanding on new innovations in Italian Textile Machinery.

Visits to Italian Textile Companies in Lombardy Piedmont region

Certificate Awarded to Delegates for attending the Training Mission on Italian Textile Technologies by Mr. Antonio Lucarelli, Director, Industrial Technology, Energy & Environment, ITA and Mr. Alessandro Zucchi, President, ACIMIT

Inspection of Digital Printing Machine by Delegates at MS Factory

CITI ATTENDS ITMF ANNUAL CONFERENCE 2022
AT DAVOS, SWITZERLAND

International Textile Manufacturers Federation (ITMF) organized ITMF Annual Conference 2022 at Davos, Switzerland from September 18-20, 2022. The theme of the conference was **"Climate Change and a Sustainable Global Textile"**. CITI was also part of the Indian delegation at the ITMF event.

The three-day conference discussed pressing issues like sustainable production, recycling, energy crisis, upcoming energy legislation, climate change, digitalization, technology, textiles, apparel, home textiles, fibers, etc. comprising the following sessions

The three-day conference comprised the following sessions:

- Recycling Session
- SLCP Session – Reducing audit fatigue through SLCP: the impact and benefits so far
- Fibre Session – Cotton & Man-Made Fibres
- 1st General Session: Textile (Machinery) Industry in Switzerland
- Special Session: The EU Textile Strategy 2030
- Special Session: Fashion Industry Charter for Climate Action
- 2nd General Session: Sustainability & Circularity: Business Models of the Future – Part 1
- Special Session: The EU Textile Strategy 2030
- 3rd General Session: Textile Value Chain – Collaboration
- ITMF Award Session

- **CITI and Swiss Textiles commit for mutual cooperation**

On the sidelines of the ITMF Annual Conference 2022, CITI and Swiss Textiles entered into an Memorandum of Understanding (MoU) for enhanced cooperation in Textiles & Apparel Industries between Switzerland and India.

The MoU envisages promoting bilateral trade and investment in the textile & apparel sector by actively cooperating to:

a) Eliminate trade barriers to facilitate exports and imports of textile & apparel products.

b) Offer information on trade policies of their respective countries

c) Boost Foreign Direct Investment in the textile & apparel industries.

Indian Delegation at ITMF Annual Conference 2022 at Davos & CITI signing MoU with Swiss Textiles

CITI ORGANIZES AN AWARENESS WEBINAR ON NEW QCOS AND STANDARDS FOR THE TEXTILE VALUE CHAIN

Confederation of Indian Textile Industry, in association with the Bureau of Indian Standards (BIS), organized an awareness webinar on new QCOs & Standards for the Textile Value Chain on 12th September 2022, through virtual mode.

Shri Rajiv Sharma, Deputy Director General, (Standardization), Shri J K Gupta, Head-Textiles, Shri Aditya Das, Scientist D, Bureau of Indian Standards (BIS), Shri Ajit B Chavan, Secretary, Textiles Committee, Dr. Arindam Basu, Director General, Northern India Textiles Research Association (NITRA), Shri Durai Palanisamy, Managing Director, Pallava Group and Dr. P.P. Raichurkar, Director, Man Made Textile Research Association (MANTRA) were the esteemed Speakers in the event.

*Shri J K Gupta, Head-Textiles (BIS) addressing the industry at the webinar on **"New QCOs and Standards for the Textile Value Chain"***

In his welcome address, Shri T Rajkumar, Chairman, CITI pointed out that the BIS is in the process of framing next version of the Standards National Action Plan (SNAP) 2022-27 and the industry is looking forward to these developments to strengthen the quality benchmark of the textile value chain, without any barriers to trade, especially with regard to access and availability of inputs that are import dependent.

In his inaugural address, Shri Rajiv Sharma, Dy. Director General, (Standardization) briefed about the various certification processes of the BIS and other parameters necessary for the industry to follow and benefits from the simplified processes.

Shri J K Gupta, Head-Textiles (BIS) made a detailed presentation on the Standards and QCO's prepared for the entire textile value chain including Technical Textiles. He briefed about the various Product Committees involved in the certification processes at BIS and urged the industry stakeholders to increase their participation in the process of formulation of new Standards and QCO's for its holistic growth.

Shri Aditya Das, Scientist D, Bureau of Indian Standards (BIS) made a detailed presentation on the Status of Quality Control Orders on Textiles Products and the Conformity Assessment Scheme of BIS.

Shri Ajit B Chavan, Secretary, Textiles Committee highlighted about the overall ecosystem of Standards and the difference in compliance requirements with that the QCO's would entail. He stated that Standards and QCO's have become crucial for the industry as imports have risen manifolds in the last few years and therefore it becomes necessary to place such Standards and QCOs for India's T&A Sector.

The industry stakeholders asked various questions on the different aspects of the Standardization and QCOs and requested for more time for implementation of the QCOs, given the time needed to align to the new requirements.

Shri J K Gupta while summing up the webinar thanked CITI for organizing such an informative webinar and urged CITI to have more frequent sessions like these in order to understand the industry issues for better formulation of the new QCOs and Standards.

CITI ORGANIZED A WEBINAR ON GST UPDATES

UNDERSTANDING RECENT AMENDMENTS AND ITS IMPACT ON TEXTILE INDUSTRY

CITI organized a webinar on GST Updates - – Understanding recent amendments and its Impact on Textile Industry on October 18th, 2022 at 3:00 PM, through virtual mode.

Mr. Vishal G. Poddar made a detailed PowerPoint Presentation on "Recent GST Amendments and its Impact on the Textile Industry"

The Presentation covered the following important recent amendments:

- Transfer of Balance in Electronic Cash Ledger;
- Interest – When ITC is not allowed;
- Extension of Time Limit for Issuance of Notice, Refund Claim;
- ITC Reversal – Duty Credit Scrips;
- Recredit of Refund Paid Back;
- Refund Under Inverted Duty Structure;
- Date of Refund Application – Exports (With Payment of Tax);
- Synopsis of GST Amendments;
- Changes wrt Input Tax Credit;
- Refund Related Changes;
- Procedural Changes;
- Miscellaneous Changes;
- Other Significant Amendments; and
- E-Invoicing

Mr. Vishal G. Poddar addressing the industry on "Recent GST Amendments and its Impact on the Textile Industry"

On behalf of the Industry, Mr. Rajesh Chopra, Senior Vice President, Commercial & Legal, Vardhman Textiles Ltd., Mr. Nitin Goyal, Vice President – Group Indirect Tax Head, Welspun Group and Mr. Ashish Agarwal, Head-GST, Trident Group made their observations on the recent GST Updates and thanked Mr. Vishal Poddar and CITI for organising such an informative and interactive webinar.

Participants raised their concerns/ queries on the following issues:

1. Filing of refund on the basis of new formula, the department is issuing show- cause notices on the basis that amendment is applicable prospectively and not retrospectively.
2. Raw material imported on Advance Authorisation Licence (AAL) was used with other raw material for manufacture of goods which was exported after paying IGST. Exporter claimed the refund however got suggestion that he can't export the goods produced from such raw material imported under AAL and should made an application to return the refund;
3. For availment of ITC which is lying in electronic credit ledger, do the authority see it as a total ITC or kity-wise: IGST, CGST, SGST;
4. Export freight exemption expired on 30th September 2022 should have been continued as ITC on services is not fully refunded
5. Exemption on import of cotton should be extended beyond 31st October 2022
6. A tax-payer should not be held responsible for the irregularities of the taxes found in the entire supply chain, it is a matter of great concern for the entire industry
7. There should be a facility through which we should be able to amend our GSTR1 & GSTR3B
8. There should be a provision for amending E-Way Bill and E-Invoicing
9. Clarity on Ocean freight

CITI would conduct more such GST webinars on regular intervals to help the industry players understand recent amendments and also understand the procedural constraints being faced by members.

CORE-SPUN PARA-ARAMID BASED YARNS FOR PROTECTION AGAINST MECHANICAL & THERMAL HAZARDS

Mr. Nandan Kumar (PhD)
Managing Director, High Performance Textiles Pvt Ltd., Panipat, Haryana

Personal protective equipment (PPE) such as gloves, sleeves, balaclava are most commonly used in manufacturing industries or defense applications to provide protection against thermal and mechanical hazards. An important aspect of the protective gloves is to provide protection against mechanical hazards such as resistance to cutting, abrasion, tear or puncturing as well as against thermal hazards (e.g., contact heat, radiant heat, flashfire, arc flash-fire, small or large splashes of molten metals) while being used in the hazardous handling conditions (1,2,3). During such conditions, the protective gloves should also feel comfortable to the wearer and provide good grip & dexterity for ease of handling.

Various brands of para-aramid fibres are available in the market, e.g., Twaron®, Kevlar®, Heracron®, Technora®, Taekwang® which provide protection against heat and flame. 'Para' refers to the location of chemical bonds present in the chemical structure of aramid which makes it more aligned (crystalline) as compared to meta-aramid which are in zigzag pattern resulting in lower tensile strength as compared to the para-aramid fibres (4). Owing to the higher temperature resistance and strength, para-aramid fibres-based gloves are most used for protection against higher contact heat, convective, radiant or against small splashes of molten metals such as iron, aluminium to name a few. These fibres are also blended with other inherent flame-retardant fibres such as modacrylic, meta-aramid, FR viscose and reinforced with steel wire or multifilament hard core (e.g., E-glass, Basalt, Tungsten) to achieve higher cut-performance (5,6). These yarns are manufactured using ring spinning technique where staple fibers of para-aramid are processed through blow room, carding, draw frame, speed frame and ring frame to spin yarns either single type of fiber (100% para-aramid), or can be a blend of various types of inherent flame-retardant fibres (e.g. meta-aramid, modacrylic, FR viscose) in combination with para-aramid fibres (Figure 1).

Figure 1. Ring Spinning Machines (Carding, Ring Frame, Autoconer)

Further, a core/sheath yarn, also known as core yarn in general, comprises two components- a core and a sheath wherein the core is made up of continuous filament yarn (e.g. spandex, steel wire, polyester, nylon, etc) while the sheath is made of staple fibers (e.g. 38 mm or 51 mm). The protective textiles incorporating core yarn are used to enhance functional properties of the fabrics such as strength, durability and stretch comfort. Table 1 shows seamless knitted gloves made-up of p-aramid with steel wire are more cut-resistant as compared to that of 100 % p-aramid based gloves. These gloves are tested as per EN 388:2016 and EN 407:2020 as shown in Figure 2.

Figure 2. Rating & Symbols used in EN 388:2016 and EN 407:2020

Owing to the high tensile strength of para-aramid fibres alongwith their ability to withstand tensile stress, abrasion, and chemicals at a high temperature of upto 400°C, these fibres are preferred for hand protection against thermal hazards. Table 2 and 3 show that the para-aramid/steel wire core yarn based woven and knitted fabric provide extremely high cut protection as compared to that of 100% para-aramid yarn-based fabric. Further, abrasion properties are improved with the addition of nylon fibres in the blend. These gloves are mainly used in automotive, glass, stainless-steel handling, tyre manufacturing or while handling sharp metal parts.

Table 1. Comparison of gloves: 100% para-aramid gloves and core yarn (p-aramid/steel wire) based gloves

100% Para-aramid gloves, 10 gg	**Para-aramid/steel wire gloves, 10 gg**
	
Weight – 58 g per pair EN 388 2016: 3X4XC Level C (13.5N) as per ISO 13997 EN 407 2020: 4121XX	Weight – 58 g per pair EN 388 2016: 3X4XF Level F (32.8N) as per ISO 13997 EN 407 2020: 4121XX
Para-aramid/steel wire/nylon gloves, 10 gg	**Para-aramid/steel wire gloves, 10 gg**
	
Weight – 55 g per pair EN 388 2016: 4X4XF Level F (31.5N) as per ISO 13997 EN 407 2020: 4121XX	Weight – 60 g per pair EN 388 2016: 3X4XF Level F (32.0N) as per ISO 13997 EN 407 2020: 4111XX

Table 2. Comparison of woven fabrics: 100% para-aramid yarn-based fabric in comparison with p-aramid/steel wire-based fabric

Figure	Composition	Weight(g/m²)	EN 388 2016	EN 407 2020
	100% P-aramid twill fabric	210	3X4XC 12.5 N - ISO 13997	41211X
	100% P-aramid, twill fabric	300	3X4XC 14 N - ISO 13997	42211X
	P-aramid/Nylon/steel wire twill fabric	390	4X41E 27.2 N - ISO 13997	42211X
	P-aramid/steel wire twill fabric	390	4X41F 52.1 N- ISO 13997	42211X
	P-aramid/glass twill fabric	370	4X41F 47.5 N- ISO 13997	42211X
	P-aramid/ black nylon/steel wire twill fabric	320	4X4XF 35.2 N-ISO 13997	42211X

Table 3. Comparison of knitted fabrics: 100% para-aramid yarn-based fabric in comparison with p-aramid/steel wire-based knitted fabric

Figure	Composition	Weight(g/m²)	EN 388 2016	EN 407 2020
	100% P-aramid fabric	210	2X3XC 11.5 N - ISO 13997	41211X
	P-aramid/Steel wire fabric	350	2X4XE 26.5 N - ISO 13997	42211X

Conclusions

The para-aramid based yarns are used to manufacture seamless gloves, woven, and knitted fabrics for protection against industrial hazards. The core yarn spinning technique is used to reinforce para-aramid yarns with steel wire or glass filaments in core. The presence of steel wire and glass filaments increases cut-performance of para-aramid yarns when knitted in gloves or in the fabric form. Further, para-aramid fibres can be blended with other inherent flame-retardant fibres such as meta-aramid, FR viscose, modacrylic as per requirements.

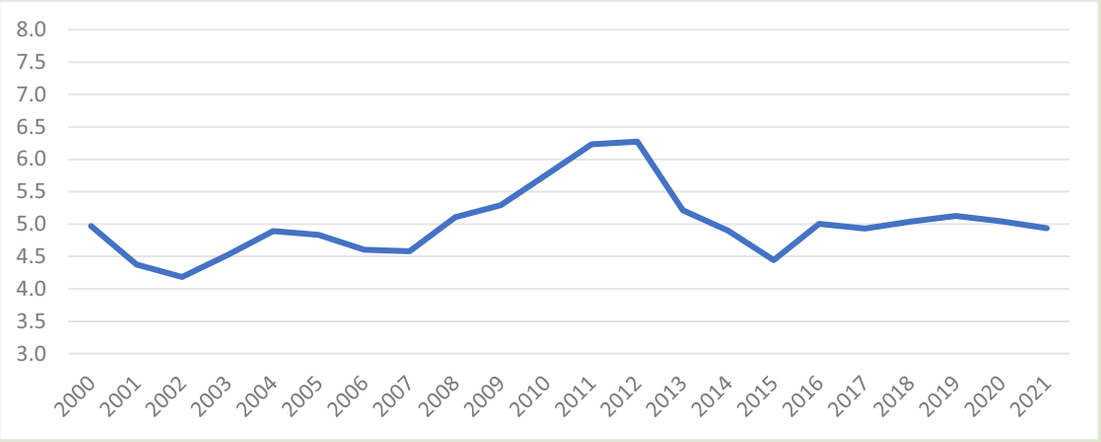
Note: *This article is part of the CITI - NISTI collaboration for awareness creation on Technological updates in the Textile Sector.*

Market Watch

JAPAN - A key Asian Market for Textiles & Clothing

With a GDP of about US$ 4.94 trillion in 2021, Japan is the 3rd largest and one of the most developed economies in the world. Manufacturing has been the most remarkable, and internationally renowned, feature of Japan's economic growth, and today, Japan is a world leader in the manufacturing of electrical appliances, automobiles, ships, machine tools, optical & precision equipment, machinery, and chemicals.

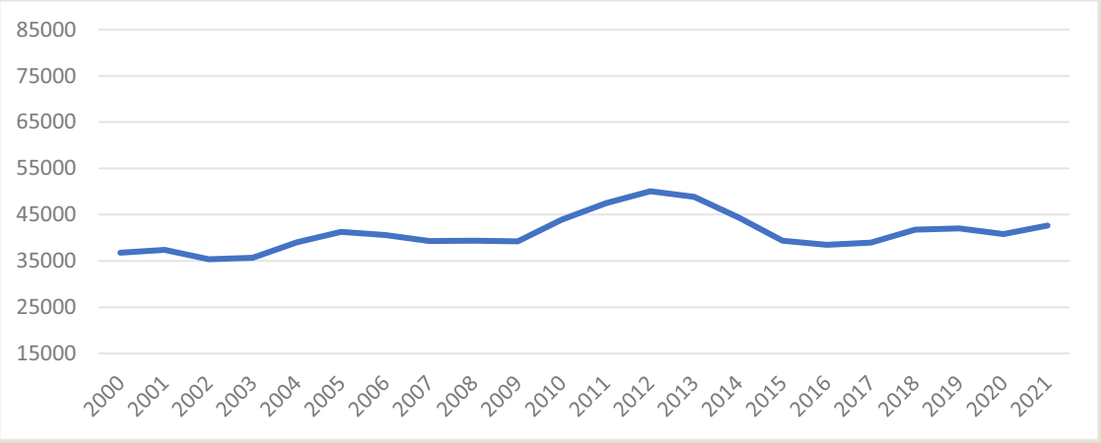
GDP (Current US$) of Japan (US$ Trillion)



Source: World Bank and CITI Analysis

Japan has a well-educated, industrious workforce and its large affluent population makes it one of the world's biggest consumer markets in the world. Japan has one of the highest per capita Gross National Income in the world with its value ranging above US$ 30,000 over the last decade and is expected to increase further in the coming time thus making it a lucrative market.

Gross National Income (GNI) Per Capita, of Japan (US$)



Source: World Bank and CITI Analysis
GNI is as per the Atlas method (Current US$)

Overview of the Global Textile & Apparel Trade of Japan

Japan is a net importer of Textile & Apparel (T&A) products. During 2021, Japan exported T&A commodities worth US$ 7.4 bn to the world which have decreased at a CAGR of about 0.6% during 2017-2021. On the other hand, during 2021, Japan imported T&A commodities worth US$ 33.3 bn from the world which has also decreased at a CAGR of about 1.2% during 2017-2021.

Total Textile & Apparel (T&A) Trade of Japan (US$ Bn)

Year	Export	Import	Trade Balance
2017	7.6	35.1	-27.5
2018	7.8	37.8	-29.9
2019	7.7	37.1	-29.4
2020	6.6	35.9	-29.4
2021	7.4	33.3	-26.0
CAGR	**-0.6%**	**-1.2%**	

Source: ITC Trade Map & CITI Analysis

Category-wise analysis shows that Apparel was the largest imported T&A category by Japan from the world and had a share of about 71.5% in Japan's total T&A imports from the world during 2021 followed by Home Textiles and Fabric with a share of 7% and 4.7% respectively.

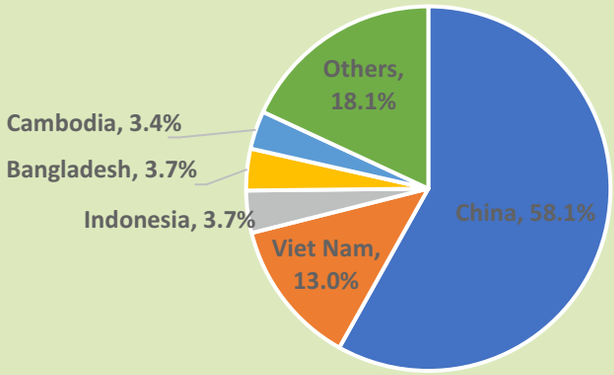
Category Wise Imports of T&A by Japan in 2021 (US$ Bn)

Row Labels	2021	Share 2021
Fibre	0.4	1.2%
Filament	0.5	1.6%
Yarn	0.4	1.3%
Fabric	1.6	4.7%
Apparel	23.8	71.5%
Home Textiles	2.3	7.0%
Others	4.2	12.7%
Total Textiles & Apparels	33.3	

Source: ITC Trade Map & CITI Analysis

China is the leading supplier of T&A commodities to Japan and had a share of about 58.1% in Japan's total T&A imports from the world during 2021 followed by Vietnam and Indonesia with a share of about 13% and 3.7% respectively. The top 5 countries accounted for about 82% of Japan's total T&A imports from the World during 2021.

Share of Top Suppliers of T&A Commodities to Japan during 2021



Source: ITC Trade Map & CITI Analysis

The top 10 T&A commodities imported by Japan constitute about 57% of Japan's total T&A imports from the world during 2021. Import of HSN 6307 has shown a maximum CAGR of about 14.6% during 2017-2021 while HSN 6110 was the highest imported T&A commodity by Japan from the world during 2021.

Imports of Top 10 T&A Commodities by Japan (US$ Bn)

HS Code	Product label	2017	2018	2019	2020	2021	CAGR	Share 2021
6110	Jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted	4.3	4.6	4.6	4.0	4.3	0.1%	12.9%
6204	Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, etc	3.4	3.5	3.6	3.0	2.9	-4.1%	8.6%
6307	Made-up articles of textile materials, incl. dress patterns, n.e.s.	1.3	1.3	1.4	5.3	2.2	14.6%	6.6%
6109	T-shirts, singlets and other vests, knitted or crocheted	2.2	2.4	2.4	2.1	2.1	-1.5%	6.2%
6203	Men's or boys' suits, ensembles, jackets, blazers, trousers, bib and brace overalls, breeches	2.5	2.6	2.6	2.1	1.9	-6.3%	5.7%
6104	Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, etc.	1.2	1.4	1.5	1.3	1.4	4.0%	4.3%
6202	Women's or girls' overcoats, car coats, capes, cloaks, anoraks, incl. ski jackets, windcheaters, etc.	1.3	1.6	1.5	1.1	1.1	-4.7%	3.3%
6302	Bedlinen, table linen, toilet linen and kitchen linen of all types of textile materials	1.1	1.1	1.1	1.0	1.1	-0.4%	3.2%
6201	Men's or boys' overcoats, car coats, capes, cloaks, anoraks, incl. ski jackets, windcheaters, etc.	1.1	1.4	1.3	1.0	1.0	-2.0%	2.9%
6211	Tracksuits, ski suits, swimwear and other garments, n.e.s.	1.1	1.1	1.2	1.0	0.9	-3.2%	2.8%

Source: ITC Trade Map & CITI Analysis

Textile & Apparel Trade Between India and Japan

During 2021, India was the 10th largest supplier of T&A commodities to Japan which imported T&A commodities worth US$ 408.2 million from India during 2021. Japan's imports from India have decreased at a CAGR of about 0.7% during 2017-2021.

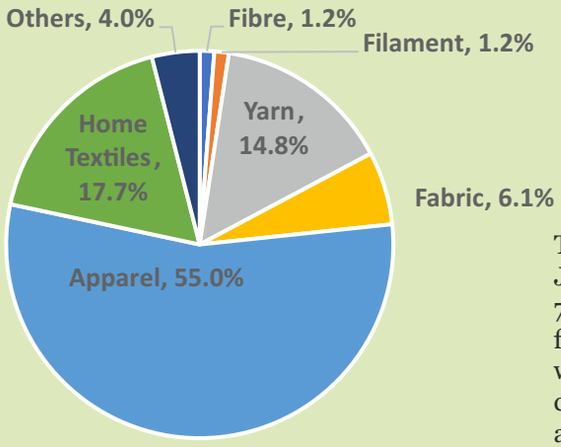
India's exports of T&A to Japan (US$ Mn)

Row Labels	2017	2018	2019	2020	2021	CAGR
Fibre	7.7	6.5	7.0	4.8	4.9	-10.6%
Filament	13.0	11.5	8.3	4.7	4.9	-21.4%
Yarn	73.5	86.4	84.2	46.9	60.4	-4.8%
Fabric	28.4	30.3	26.2	19.3	24.9	-3.3%
Apparel	231.5	254.3	278.6	223.0	224.6	-0.8%
Home Textiles	58.1	59.4	69.9	53.8	72.2	5.6%
Others	8.1	10.2	11.4	11.8	16.3	18.9%
Total	**420.4**	**458.4**	**485.4**	**364.3**	**408.2**	**-0.7%**

Source: ITC Trade Map & CITI Analysis

Category-wise analysis shows that Apparel was the largest imported T&A commodity by Japan from India and accounted to about 55% of total T&A imports by Japan from India followed by Home Textiles and yarn with a share of 17.7% and 14.8% respectively.

Category Wise Share of India's T&A exports to Japan



Source: ITC Trade Map & CITI Analysis

Top 10 commodities imported by Japan from India accounted for about 70% of the Japan's total T&A imports from India during 2021. HSN 6204 was the largest imported T&A commodity by Japan from India which accounted to about 17.4% of Japan's total T&A imports from India.

Top 10 T&A exported commodities from India to Japan (US$ Mn)

HS Code	Commodity	2017	2018	2019	2020	2021	CAGR	Share 2021
6204	Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, etc.	56.4	72.5	96.3	66.7	71.1	6.0%	17.4%
5205	Cotton yarn other than sewing thread, containing >= 85% cotton by weight	43.3	47.1	45.7	29.4	45.5	1.2%	11.1%
6206	Women's or girls' blouses, shirts and shirt-blouses	58.6	62.0	58.0	38.4	39.3	-9.5%	9.6%
6302	Bedlinen, table linen, toilet linen and kitchen linen of all types of textile materials	18.7	19.9	28.7	21.8	36.0	17.8%	8.8%
6110	Jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted	7.8	8.8	9.2	14.4	18.5	23.9%	4.5%
6109	T-shirts, singlets and other vests, knitted or crocheted	16.3	14.6	18.4	20.6	18.2	2.8%	4.5%
6203	Men's or boys' suits, ensembles, jackets, blazers, trousers, bib and brace overalls, etc.	17.9	17.6	18.7	17.3	17.2	-1.1%	4.2%
6205	Men's or boys' shirts (excluding knitted or crocheted, nightshirts, singlets and other vests)	14.1	15.2	16.0	14.8	13.5	-0.9%	3.3%
5702	Carpets and other textile floor coverings, woven, not tufted or flocked, whether or not made	16.0	14.0	14.5	10.3	12.0	-7.0%	2.9%
6211	Tracksuits, ski suits, swimwear and other garments, n.e.s.	15.8	14.6	13.4	10.8	11.7	-7.3%	2.9%

Source: ITC Trade Map & CITI Analysis

Way Forward:

With a Textile & Apparel (T&A) import of US$ 33.3 bn from the world, Japan was the 3rd largest importer of T&A in the world in 2021. Owing to India-Japan CEPA signed in 2010, India has duty-free market access with Japan. However, till now India has not been able to reap this benefit and during 2021 India had a minuscule share in Japan's total T&A imports (1.2% share) as compared to China (58.1% Share) which was the largest exporter of T&A commodities to Japan. India despite having the requisite potential is not able to penetrate the Japanese market mainly due to it being stringent in terms of product quality, compliances, delivery timelines, and consistency. There are several potential T&A commodities for India to export to Japan, some of which are given in the table below;

Potential T&A Commodities to be Exported to Japan (Data for 2021 and Values in US$ Mn)

S No	HS Code	Commodity	Japan's imports from world	Japan's imports from India	India's exports to world	India's Share
1	6204	Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, etc.	2,869.8	71.1	2,557.8	2.5%
2	6109	T-shirts, singlets and other vests, knitted or crocheted	2,070.7	18.2	2,347.4	0.9%
3	6203	Men's or boys' suits, ensembles, jackets, blazers, trousers, bib and brace overalls, breeches, etc.	1,901.6	17.2	1,097.0	0.9%
4	6302	Bedlinen, table linen, toilet linen and kitchen linen of all types of textile materials	1,050.8	36.0	2,276.4	3.4%
5	6211	Tracksuits, ski suits, swimwear and other garments, n.e.s. (excluding knitted or crocheted)	933.7	11.7	913.5	1.2%

Source: ITC Trade Map & CITI Analysis

However, to reap the benefits, It is suggested that the Government of India may explore possibilities of setting up more Quality Evaluation Centres in India which can provide the requisite support to Indian T&A exporters to maintain their product quality standards as per the requirement of Japanese buyers through Testing, Inspection & Conformity Assessment, Training & Capacity Building, Research & Development (R&D) and Consultancy.

COTTON ESTIMATES
FOR THE COTTON SEASON 2021-22

State-wise Area under Cotton, Production and Yield Cotton season 2020-21 and (oct-sept) 2021-22(p)*

The Balance Sheet and State-wise Area, Cotton Production and Yield were decided by the COCPC in its meeting held on 20.09.2022 for the Cotton Season 2020-21 & 2021-22

Area in Lakh hectares
Production in lakh bales of 170 kgs each
Yield in Kilogram / Hectare

Name of the state	2020-21					2021-22(P)*				
	Area	Production			Yield	Area	Production			Yield
		Pressed bales	Loose Cotton	Total			Pressed bales	Loose Cotton	Total	
Punjab	2.52	10.08	0.15	10.23	690.12	2.51	6.27	0.20	6.47	438.21
Haryana	7.40	17.87	0.36	18.23	418.80	6.36	12.68	0.48	13.16	351.76
Rajasthan	8.07	31.58	0.49	32.07	675.58	7.56	24.15	0.66	24.81	557.90
NORTHERN ZONE	***17.99***	**59.53**	***1.00***	***60.53***	***571.99***	***16.43***	***43.10***	***1.34***	***44.44***	***459.82***
Gujarat	22.70	70.69	1.49	72.18	540.56	22.84	72.83	1.99	74.82	556.89
Maharshtra	45.44	99.96	1.09	101.05	378.05	39.54	69.72	1.46	71.18	306.03
Madhya Pradesh	5.88	13.00	0.38	13.38	386.84	5.60	13.70	0.50	14.20	431.07
CENTRAL ZONE	***74.02***	**183.65**	***2.96***	***186.61***	***428.58***	***67.98***	***156.25***	***3.95***	***160.20***	***400.62***
Telangana	23.58	57.28	0.69	57.97	417.93	18.89	59.76	0.91	60.67	546.00
Andhra Pradesh	6.06	15.77	0.23	16.00	448.84	5.54	16.78	0.30	17.08	524.12
Karnataka	8.20	22.79	0.41	23.20	480.98	6.67	18.95	0.55	19.50	497.00
Tamilnadu	1.12	2.33	0.10	2.43	368.84	1.48	3.46	0.14	3.60	413.51
SOUTHERN ZONE	***38.96***	**98.17**	***1.43***	***99.60***	***434.60***	***32.58***	***98.95***	***1.90***	***100.85***	***526.23***
Orissa	1.71	5.45	0.06	5.51	547.78	1.93	6.18	0.08	6.26	551.40
Others	0.17	0.23	0.00	0.23	230.00	0.18	0.28	0.00	0.28	264.44
TOTAL	***132.85***	**347.03**	***5.45***	***352.48***	***451.05***	***119.10***	***304.76***	***7.27***	***312.03***	***445.38***

*P – Provisional * - As estimated by Committee on Cotton Production and Consumption (COCPC) in its meeting held on 20.09.2022*

Cotton Balance Sheet from 2020-21 to 2021-22(P)*

Particulars	2020-2021		2021-22(P)*	
	(In lakh bales of 170 kg. Each)	(in Thousand Tons)	(In lakh bales of 170 kg. Each)	(in Thousand Tons)
SUPPLY				
Opening Stock	120.79	2053.43	71.84	1221.28
Crop	352.48	5992.16	312.03	5304.51
Import	11.03	187.51	14.00	238.00
TOTAL SUPPLY	**484.30**	**8233.10**	**397.87**	**6763.79**
DEMAND				
Mill Consumption	297.45	5056.65	280.00	4760.00
S.S.I Consumption	22.42	381.14	20.00	340.00
Non Textile Consumption	15.00	255.00	16.00	272.00
Export	77.59	1319.03	43.00	731.00
TOTAL DEMAND	**412.46**	**7011.82**	**359.00**	**6103.00**
Closing Stock.	**71.84**	**1221.28**	**38.87**	**660.79**

*P – Provisional * - As estimated by Committee on Cotton Production and Consumption (COCPC) in its meeting held on 20.09.2022*

India's Textile and Apparel Exports (In US Million)

Description	Sept'21	Sept'22	% change	Apr'21-Sept'21	Apr'22-Sept'22	% Change	% share of total Apr'21-Sept'21	% share of total Apr'22-Sept'22
Textiles and Made-ups								
Cotton								
COTTON RAW INCLD. WASTE	122	16	**-87%**	1138	436	-62%	5%	2%
COTTON YARN	467	142	**-70%**	2556	1390	-46%	12%	7%
COTTON FABRICS, MADEUPS ETC.	710	548	**-23%**	3952	3656	-7%	19%	19%
	1,299	**705**	**-46%**	**7,646**	**5,482**	**-28%**	**36%**	**29%**
Jute								
JUTE, RAW	4	3	-31%	12	12	0%	0%	0%
JUTE YARN	1	1	34%	11	7	-33%	0%	0%
JUTE HESSIAN	13	12	-9%	70	75	7%	0%	0%
OTHER JUTE MANUFACTURES	18	15	-14%	93	117	25%	0%	1%
FLOOR CVRNG OF JUTE	9	6	-34%	55	48	-13%	0%	0%
	45	**37**	**-18%**	**241**	**258**	**7%**	**1%**	**1%**
Silk								
SILK,RAW	0	0	-90%	1	0	-97%	0%	0%
SILK WASTE	2	2	12%	18	11	-36%	0%	0%
NATRL SILK YARN,FABRICS,MADEUP	10	7	-25%	43	40	-7%	0%	0%
SILK CARPET	4	4	**26%**	14	24	73%	0%	0%
	15	**14**	-9%	**76**	**75**	**-1%**	**0%**	**0%**
Wool								
WOOL, RAW		0		0	0	282%	0%	0%
WOLLEN YARN,FABRICS,MADEUPSETC	14	18	25%	76	98	30%	0%	1%
	14	**18**	**25%**	**76**	**98**	**30%**	**0%**	**1%**
Manmade								
MANMADE STAPLE FIBRE	46	35	-24%	347	252	-27%	2%	1%
MANMADE YARN,FABRICS,MADEUPS	456	401	-12%	2687	2585	-4%	13%	14%
	502	**436**	**-13%**	**3,034**	**2,837**	**-7%**	**14%**	**15%**
Others								
CARPET(EXCL. SILK) HANDMADE	154	102	-34%	858	686	-20%	4%	4%
COIR AND COIR MANUFACTURES	43	26	-39%	314	207	-34%	1%	1%
HANDCRFS(EXCL.HANDMADE CRPTS)	185	124	-33%	1023	716	-30%	5%	4%
HANDLOOM PRODUCTS	27	13	-53%	138	100	-28%	1%	1%
OTH TXTL YRN, FBRIC MDUP ARTCL	61	62	2%	301	396	32%	1%	2%
	470	**327**	-31%	**2,634**	**2,105**	**-20%**	**13%**	**11%**
Total Textiles and Made-ups	**2,345**	**1,537**	**-34%**	**13,707**	**10,855**	**-21%**	**65%**	**57%**
Apparel								
RMG COTTON INCL ACCESSORIES	724	593	-18%	3990	4754	19%	19%	25%
RMG MANMADE FIBRES	266	219	-18%	1660	1526	-8%	8%	8%
RMG OF OTHR TEXTLE MATRL	297	231	-22%	1593	1756	10%	8%	9%
RMG SILK	4	8	98%	22	44	101%	0%	0%
RMG WOOL	10	16	52%	68	92	35%	0%	0%
Total Apparel	**1,301**	**1,067**	**-18%**	**7,334**	**8,172**	**11%**	**35%**	**43%**
Grand Total	**3,647**	**2,603**	**-29%**	**21,041**	**19,027**	**-10%**	**100%**	**100%**
Data Source: CITI Analysis based on DGCI&S data								

India's Textile and Apparel Imports (In US$ Million)

Description	Sept '21	Sept'22	% change	Apr'21-Sept'21	Apr'22-Sept'22	% Change	% share of total Apr'21-Sept'21	% share of total Apr'22-Sept'22
Textiles and Made-ups								
Cotton								
COTTON RAW INCLD. WASTE	44	317	620%	297	1081	264%	8%	18%
COTTON YARN	1	8	585%	11	47	340%	0.3%	0.8%
COTTON FABRICS, MADEUPS ETC.	46	56	22%	235	367	56%	6%	6%
	91	**381**	**318%**	**543**	**1,495**	**176%**	**15%**	**25%**
Jute								
JUTE, RAW	1	13	893%	15	58	289%	0%	1%
JUTE YARN	6	7	17%	23	30	34%	1%	1%
JUTE HESSIAN	6	4	-38%	26	21	-17%	1%	0%
OTHER JUTE MANUFACTURES	7	8	20%	31	34	9%	1%	1%
FLOOR CVRNG OF JUTE	0	0	684%	0	0	13%	0%	0%
	20	**32**	**59%**	**94**	**144**	**52%**	**3%**	**2%**
Silk								
SILK,RAW	10	15	43%	39	128	227%	1%	2%
SILK WASTE	0	0		0	1	16%	0%	0%
NATRL SILK YARN,FABRICS,MADEUP	3	5	56%	13	26	100%	0%	0%
SILK CARPET	0			0	0	-75%	0%	0%
	13.6	**19.5**	**43%**	**52.7**	**154.3**	**193%**	**1%**	**3%**
Wool								
WOOL, RAW	19	21	11%	108	128	18%	3%	2%
WOLLEN YARN,FABRICS,MADEUPSETC	9	12	27%	43	63	45%	1%	1%
	29	**33**	**16%**	**151**	**190**	**26%**	**4%**	**3%**
Manmade								
MANMADE STAPLE FIBRE	35	58	67%	220	341	55%	6%	6%
MANMADE YARN,FABRICS,MADEUPS	236	234	-1%	1354	1676	24%	37%	28%
	271	**292**	**8%**	**1,574**	**2,018**	**28%**	**43%**	**34%**
Others								
CARPET(EXCL. SILK) HANDMADE	6	6	6%	37	19	-48%	1%	0%
COIR AND COIR MANUFACTURES	0	0	13%	2	2	-4%	0%	0%
HANDCRFS(EXCL.HANDMADE CRPTS)	58	49	-15%	258	281	9%	7%	5%
HANDLOOM PRODUCTS	0	0	-23%	1	1	-51%	0%	0%
OTH TXTL YRN, FBRIC MDUP ARTCL	85	98	16%	432	660	**53%**	12%	11%
	149	**154**	4%	**730**	**964**	32%	**20%**	**16%**
Total Textiles and Made-ups	**573**	**912**	**59%**	**3,145**	**4,965**	**58%**	**85%**	**84%**
Apparel								
RMG COTTON INCL ACCESSORIES	70	102	45%	287	473	65%	8%	8%
RMG MANMADE FIBRES	52	78	50%	155	286	84%	4%	5%
RMG OF OTHR TEXTLE MATRL	25	25	-1%	89	148	66%	2%	3%
RMG SILK	0	1		1	2	69%	0%	0%
RMG WOOL	3	13	366%	7	19	158%	0%	0%
Total Apparel	**150**	**217**	**45%**	**540**	**928**	72%	15%	16%
Grand Total	**723**	**1,130**	**56%**	**3,685**	**5,893**	**60%**	**100%**	**100%**

Data Source: CITI's Analysis based on DGCI&S

CITI ANALYSIS OF EXPORTS AND IMPORTS OF T&A FOR SEPTEMBER 2022

Monthly Export Updates of Textile and Clothing (Value in USD Mn.)

Export category	Sept-21	Sept-22	% Change	Apr-Sept 21	Apr-Sept 22	% Change
Cotton Yarn/Fabs./made-ups, Handloom Products etc.	1,310.49	799.57	-38.99%	7,294.96	5,793.95	-20.58%
Man-made Yarn/Fabs./made-ups etc.	455.84	400.96	-12.04%	2,687.18	2,584.43	-3.82%
Jute Mfg. including Floor Covering	40.96	34.36	-16.11%	229.11	246.34	7.52%
Carpet	157.83	105.95	-32.87%	871.81	710.00	-18.56%
Handicrafts excl. handmade carpet	184.95	123.75	-33.09%	1,023.48	716.21	-30.02%
Sub-Total Textiles	**2,150.07**	**1,464.59**	**-31.88%**	**12,106.54**	**10,050.93**	**-16.98%**
Apparel	**1,301.11**	**1,066.18**	**-18.06%**	**7,333.88**	**8,171.77**	**11.42%**
Textile and Clothing	**3,451.18**	**2,530.77**	**-26.67%**	**19,440.42**	**18,222.70**	**-6.26%**
All Commodity	**33,814.61**	**35,445.42**	**4.82%**	**1,98,250.72**	**2,31,876.82**	**16.96%**
% of T&C in Total Exports	**10.21%**	**7.14%**		**9.81%**	**7.86%**	

Source: Press Information Bureau

Monthly Import Updates of Textile and Clothing (Value in USD Mn.)

Import category	Sept-21	Sept-22	% Change	Apr-Sept 21	Apr-Sept 22	% Change
Cotton Raw & Waste	44.02	317.3	620.81%	297.25	1,081.42	263.81%
Textile yarn fabric, made-ups	166.47	219.68	31.96%	897.09	1,416.15	57.86%

Source: Press Information Bureau

QUICK ESTIMATES OF IIP FOR TEXTILE AND CLOTHING SECTOR (T&C): AUGUST 2022

T&C in Index of Industrial Production (IIP): Growth Rates (%, Y-o-Y)

Sector	Weights	Index			Cumulative Index		
		Aug-21	Aug- 22	% Change	Apr'21/ Aug 21	Apr'22/ Aug' 22	% Change
General	100	132.4	131.3	-0.8	125.6	135.3	7.7
Manufacture of textiles	3.2913	120.2	105.5	-12.2	113.8	109.3	-4.0
Manufacture of wearing apparel	1.3225	144.1	117.7	-18.3	107.6	136.2	26.6

*Source: * CITI Analysis & Ministry of Statistics Planning & Implementation*

- For the month of Aug 2022, the Quick Estimates of Index of Industrial Production (IIP) with base 2011-12 stands at **131.3**
- Cumulative change for April – Aug 2022 for textiles was down by (-) **4.0** percent and Wearing Apparel was up by (+) **26.6** percent over the same period of the previous year.

CITI CDRA CELEBRATES WORLD COTTON DAY 2022

CITI CDRA's activities in various project areas on the occasion of World Cotton Day 2022

Cotton "a white gold" is grown in more than 75 countries across five continents and is traded worldwide. Considering the importance of cotton in global level and maintaining economic stability in less developed countries, the United Nations General Assembly declared October 7th as World Cotton Day in 2021. Celebrations marking the day aim to foster sustainable trade policies and to enable developing countries to benefit from every step of the cotton value chain.

Confederation of Indian Textile Industry (CITI)-Cotton Development Research Association (CDRA) is registered as a Trust dated 24th April 1970 under Bombay Public Trust Act 1950. It is also registered as a trust u/s 12A (a) of the Income Tax Act. CDRA part of CITI has been doing development work from the last 15 years and is currently engaged in Cotton development activities in the districts of Rajasthan, Maharashtra and Madhya Pradesh.

This year CITI-CDRA celebrated world cotton day under a theme of "Weaving a better future for cotton" in different project areas of Rajasthan, Maharashtra and Madhya Pradesh. CITI-CDRA working for the farmers since last 15 years with the active participation of 6,79,311 project farmers, 4,22,765 area in hectares, 364 clusters, 18 districts and 5876 villages. The significant impact of the CITI-CDRA cotton collaborative project activities are highlighted as under-

CITI-CDRA Cotton Collaborative Project Achievements

- Increase in the production from 1.75 in lakh bales in 2008-09 to about 13 lakh bales in 2020-21in Rajasthan.
- Increase in the yield from 212 kg/ha in 2008-09 to about 940 kg/ha in 2020-21 in the project areas in Rajasthan.
- Implementing projects to increase the cultivation and production of extra-long staple cotton (ELS) in Madhya Pradesh.
- Utilization of cotton stalk residues instead of burning them.
- Lint based marketing of cotton in Maharashtra.
- Significant results of use of natural resources for insects/pests/diseases management.

Present activities

CITI-CDRA this year undertaken High Density Plantation System (HDPS) in all the three states in 39 Clusters, 9 Districts, covering 703 Farmers/acres with a view of doubling the cotton production and productivity with a use of low-cost technology using natural resources. CITI-CDRA would like to take this initiative, and further extend its activities to other cotton growing States like Haryana, Andhra Pradesh and Telangana, Karnataka and Tamil Nadu.

To imbibe Hon'ble Prime Minister of India Shri Narendra Modiji's vision of 'Aatma Nirbhar Bharat', CITI-CDRA always support the cotton farmers, growers, stakeholders etc., by promoting the good agricultural practices (GAPs) for better cotton use.

"CENTRAL BANKS' FIGHT AGAINST INFLATION BOUND TO TAKE TOLL ON ECONOMY, FINANCIAL MARKETS"

Mr. Abhishek Goenka
Founder & CEO, IFA Global

Global financial markets are in a quagmire as central banks are throwing caution to the wind in their fight against inflation. Fed Chair Powell has said categorically that there is no painless way of taming inflation. Monetary policy tightening would hurt the economy and result in job losses.

Despite aggressive rate hikes by the US Federal Reserve so far, inflation in the US is showing no signs of relenting. Tightening financial conditions have spooked financial markets. There has been a tremendous sell off in equity and debt markets. S&P500 is down 25% in 2022 so far and global bonds are seeing a once in a generation bear market. Markets have been hoping that central banks would have to pause somewhere in their quest to tame inflation as pockets of systemic instability appear due to higher rates and evaporating liquidity. The much anticipated central bank pivot is proving to be elusive. With inflation as high it is currently, US Fed and other central banks have little choice but to continue to tighten monetary policy aggressively. The credibility of inflation targeting is at stake. Central banks have themselves to blame for the predicament they find themselves in currently. They had run ultra loose monetary policies for way too long and had injected way too much liquidity, dismissing the inflation as transitory early on. They are having to go to the opposite extreme now to undo past policy errors.

Markets are now seeing terminal rates in the US at close to 5%. BoE and ECB commentary too is extremely hawkish.

Among major economies, US seems to be much better placed. Eurozone, UK and China are grappling with their own idiosyncratic problems. Eurozone and UK are facing a tremendous energy crisis due to the ongoing Russia-Ukraine war, which could become even worse in the winter. Chinese economy is reeling under the effect of Zero COVID policy and property sector woes. We are therefore seeing the US Dollar strengthen on account of massive real rate divergence between US and rest of the major economies.

Until we see inflation cooling off or pockets of systemic stress brewing which causes the central banks to refrain from tightening monetary policies further, we are unlikely to see much respite as far as risk sentiment is concerned. We may continue to see equities, bonds and commodities sell off while the Dollar continues to hold on to its strength. Dynamics in crude and natural gas would be different from that of other commodities as supply is more a determining factor than demand at this point.

As far as India is concerned, while the domestic macros do not look too bad, there are massive global headwinds. Elevated crude prices and higher US rates together entail a stress scenario. It causes the dreadful twin deficit (high current account deficit and high fiscal deficit) problem to resurface. The RBI had thus far done a fabulous job of containing FX volatility. However in the process of doing so, it has lost significant amount of Reserves. The RBI seems to be concerned about the burn rate of its Reserves. The RBI has now become more judicious in spending Reserves to defend the Rupee as it is difficult to say how long the stress scenario would persist. This has resulted in Rupee depreciating and aligning with its Asian and EM peers. In the backdrop of sustained Dollar strength globally, the Rupee is likely to weaken in a calibrated manner. Possibility of seeing 83.50-84.00 on the up side in USD/INR cannot be ruled out. On the downside 80-80.25 is likely to act as a strong support over the next 3-6 months. The RBI may be compelled to go farther in its hike cycle to defend the Rupee if US terminal rate expectations continue to head northward. This would be debilitating for the domestic economy which is just about seeing a revival in private consumption and CAPEX.

CITI's PRESS RELEASE

MCX ELECTS SHRI T RAJKUMAR AS CHAIRMAN OF THE COTTON PRODUCT ADVISORY COMMITTEE (PAC)

Monday, 10th October 2022, New Delhi: At the 1st Meeting of MCX reconstituted Product Advisory Committee meeting (PAC) held at Mumbai, Shri T Rajkumar, Chairman CITI, was unanimously elected as the Chairman of the Committee.

An urgent concern of the cotton textile industry has been the unprecedented volatility in raw cotton prices in domestic as well as international markets. In a bid to address the price volatility of cotton, stakeholders from the sector represented the matter to SEBI and MCX with a request to take measures to make the futures market more representative of the market trends and address the concerns arising out of the volatility.

As short-term corrective measures, the Security and Exchange Board of India (SEBI) suspended trading in all-cotton futures contracts on Multi Commodity Exchange (MCX) from January 2023 and subsequent contracts were temporarily not available for trading till the revised contract specifications are finalised, which was to be done in a month.

For long term solutions, in a joint meeting of SEBI with the MCX and cotton value-chain participants, it was decided that the cotton contract specifications shall be revisited and modified in consultation with the product advisory committee of the exchange and other stakeholders including members of the Textile Advisory Group. MCX had planned to expand the Cotton Product Advisory Committee to include more representation from value chain participants including the textile industry.

In response, today's meeting of the reconstituted committee took up the issues.

While seeking wholehearted cooperation and support from the committee members, Shri T Rajkumar as chairman of PAC, said that most of the contract specifications have been modified to curb speculation and protect the interests of the entire cotton value chain including the farmers.

He further thanked Hon'ble Minister of Textiles, Shri Piyush Goyal Ji, Secretary Textiles, Shri Upendra Prasad Singh Ji and Textile Commissioner Smt. Roop Rashi Ji for the continued support and holding multiple stakeholder consultations with an aim to address the various structural issues including the cotton price volatility issue and strengthening the future contracts.

He also elaborated on the proposed path to be taken to address the various issues of the cotton value chain that would ensure a win-win situation for all the stakeholders across the cotton textile value chain.

Shri T Rajkumar, Chairman CITI, is hopeful that proactive initiatives of TAG will go a long way to make India - the true cotton clothier of the globe.

Global Updates

Fashion's sustainability gap still huge says Bain report

Fashion's sustainability gap still huge says Bain report

The consumer shift to products and labels that are embracing sustainability has created both opportunities and challenges for global fashion brands, a new study from Bain & Company and WWF Italy claimed on Friday.

It's inevitable that "shopping trends among global fashion consumers will shift in favour of buying decisions that favour more sustainable practices". But at present, only 15% of consumers consistently make buying decisions to lower their environmental impact. That's despite 65% of consumers saying they care about the environment with that 50% gap being a big chasm to fill but also offering a massive opportunity for eco-based growth.

For the new report, How Brands Can Embrace the Sustainable Fashion Opportunity, Bain/WWF spoke to nearly 5,900 fashion consumers in six countries (China, France, Germany, Italy, Japan, the UK and US) and found that concern for the environment is running ahead of current shopper behaviour and that's often because shopping sustainability can be hard.

Claud D'Arpizio, a Bain & Company senior partner in Milan and the firm's global head of Fashion & Luxury, said: “Sustainable shopping is an inevitable change. Concern for sustainability is strong among younger generations – and growing overall. Hence, fashion brands need to embrace the sustainability conversation and make sustainable purchasing easier for all consumers. Brands that proactively design sustainability into their strategy and operations will cement their relevance and capture a windfall of unmet demand, now and into the future. Everyone will benefit from a commitment to sustainability from the fashion industry.”

Payal Luthra, Global Apparel and Textiles Lead at WWF, added: “The fashion industry is highly dependent on nature and biodiversity. A great deal of the raw materials used in fashion and to make textiles come from nature, and the production and processing of these materials wouldn't be possible without natural resources like water.

“But despite all of these dependencies, the industry's practices are responsible for many damaging impacts to nature that put the sector's survival at risk. The time is now for brands to take action on sustainability – they'll not only benefit from enhanced resilience but will have incredible opportunity to build brand loyalty with increasingly conscious consumers.”

As mentioned earlier, there's still some way to go before consumers fully switch on to shopping with sustainability front-of-mind.

The report said the despite being among the top six purchase drivers for most global fashion customers, “sustainability is an explicitly lower priority than other, more tangible factors, such as product quality and durability,” althaough these factors do have links to sustainability.

And it identified the obstacles that consumers face if they wish to purchase sustainably. Issues include assortments that are often limited, and the difficulty at times of distinguishing between sustainable and non-sustainable items. These barriers are seen by every generation of fashion consumer, but with younger consumers also saying that higher prices are a deterrent too.

Federico Levato, senior partner at Milan's office and EMEA Leader of Fashion & Luxury at Bain, said: “Fashion brands are on the cusp of a great opportunity but are often overwhelmed by complexity, especially along lengthy supply chains. Brands have a social role in this epoch-making change: they are called to address the information gap, engage consumers on product durability and impact; and make sustainable purchases more convenient and appealing. This will make them successful, while help shifting consumers toward more sustainable consumption.”

Source: Fashion Network

Environmental challenges: Exporters and the government?

The government's responsibility is to construct dams and reservoirs to prevent floods, provide energy to the export-oriented industry at regionally competitive rates, drive research into better cotton seed, and encourage value addition at all levels – argues CEO Gohar Textiles, Pakistan's leading exporter of home textiles, in discussion with Editors GVS.

Editors Global Village Space wanted to talk to the CEO of a major vertically integrated textile unit to understand how the recent floods affected the cotton sourcing of exporters from Pakistan. This is how we ended up in a discussion with Mr. Gohar Mustafa, CEO Gohar Textiles, one of the few completely integrated textile units in Pakistan. But the discussion expanded. Gohar knew much about his industry and was passionate about its future that the conversation, like the river in floods, spilled beyond cotton and environmental hazards into the overall competitiveness of Pakistani Industry, its myriad challenges, role, and failure of governments over the past quarter century.

Gohar explained that his vertically integrated textile unit, which employs around 7,000 workers in its manufacturing base in Faisalabad, started to conceive its final product from the stage of procuring cotton staples. Vertical integration means that raw cotton from the earth fields of Pakistan is turned into yarn, and yarn becomes fabric, and the fabric is used for value-added products. Gohar Textiles specializes in home textiles, i.e., bed sheets, curtains, pillow covers, and similar items. During our conversation, we discovered that his design facilities exist across the UK, the US, Australia, and Europe. Surprised, we asked why design teams are spread in many parts of the world. We learned that the final product's design must synchronize with the taste and needs of the communities that are end users and buyers of the products.

Faisalabad, the leading textile center of the country, once called Lyallpur, was, in the 1960s, also referred to as the "Manchester of Pakistan." Then Pakistan's economy grew at 7-8 percent, reminding many of the 19th-century rise of Lancashire in North of England as the engine of the industrial revolution. Once the main employer in those areas, textiles collapsed, and after the second world war, aerospace and technology were the main employers. Faisalabad has also passed through many phases; it faced massive layoffs in 2018, but after the 2019 pandemic, it took off again. Gohar Mustafa is hopeful that with the right mix of policy, research, and entrepreneurship, this "Manchester of Pakistan" can still regain its lost glory and significantly contribute to the Pakistani economy through exports.

Energy subsidy: Not a favor to the Industry?

What ails Pakistani exports? Expensive energy. This is a simple and perhaps comprehensive answer. Like most textile exporters, Gohar points out that Pakistani governments blundered at some point in forgetting the energy cost factor. Pakistan produces energy at much higher rates than its regional competitors like India, Bangladesh, Sri Lanka, Turkey, and Vietnam. Much talked about subsidy in electricity tariff – as started by the previous Imran Khan government under the scheme of RCET – he argues is thus no favoritism to exporters. Regionally competitive energy tariffs (RCET) should be understood only as a government act to alleviate the effects of its own mismanagement.

Bad politics on building dams

Recent floods have destroyed the cotton crop, necessitating the import of cotton from international markets and increasing the cost of inputs of final products. Had Pakistan developed a series of dams, these would have acted as storage sites preventing or mitigating the massive damage caused to crops, animals, and human communities. And dams would have provided the economical energy Pakistani exporters need to compete with their regional rivals. Gohar believed that geological studies have pointed out several places across Pakistan where the run of the river dams could have been erected. During the current monsoon season, the Indian economy was, by and large, protected from the kind of disaster Pakistan suffered because of the large number of dams available to regulate floods. The fact that we could not develop these dams – reservoirs and run of the river both – only exemplifies the policy failure of successive Pakistani governments.

Failure of agricultural research

But our policy failures extend beyond issues of expensive energy and lack of dams, argued Mr. Gohar. Pakistan failed to invest in agricultural research. Though there is a large agricultural university in Faisalabad, it has contributed little to the improvement of cotton seeds in Pakistan. The result is that Pakistan's cotton staple is not more than 27 mm in length and the cotton yarn count (that measures its refinement) of more than 40 is difficult to achieve. Indian Punjab, which was once an integral part of Pakistani Punjab in all aspects today, boasts of a longer cotton staple that easily yields a cotton count of 60 or above – thanks to the continuous research Indian governments encouraged. Egyptian and Brazilian cotton achieves counts of 100 or above.

But Mr. Gohar's punch line comes later when he laments that Bangladesh, which does not even have cotton, has developed an ability to generate $5-6 from every meter of yarn. In case of Pakistan getting $2-3/meter is the best deal. Bangladesh has achieved that by investing in its labor markets – and has become the region's most efficient stitching center. Mr. Gohar believes that its the government's responsibility to encourage and facilitate value addition at every level – from the cotton seed to the final made-up product. But merely talking at government seminars or press conferences may not help. The solution lies in constructing dams and reservoirs to prevent floods, utilizing hydroelectric and wind resources to provide energy to export-oriented Industries at regionally competitive rates, and driving research into better cotton seed. This may be a good start.

Source: Global Village Space

Project TexCircle upcycles old textiles into new clothes and accessories

Together with spinning machine maker Rieter, Lucerne University of Applied Sciences and Arts and partners from the public sector, brands and retailers, circular service specialist Texaid completed the Swiss textile recycling project "Texcircle".

The result is a range of product prototypes from sweaters, socks and curtains to carpets, upholstery and accessories developed with between 50 and 80 percent recycled fibres and yarns.

The aim was to pool knowledge to find out how systems can be created to produce high-quality products from recycled fibres. The design research expertise of the Lucerne University of Applied Sciences and Arts, the spinning expertise of Rieter and the sorting and collection know-how of Texaid were supported by Swiss retailer and wholesaler Coop, sock maker Jacob Rohner AG and carpet maker Ruckstuhl AG, as well as work wear maker Workfashion.com, Bundesamt für Zivildienst (Federal Office for Civilian Service) Zivi, Swiss fashion label Nikin AG and Tiger Liz Textiles.

Upcycling, not downcycling

Through joint developments from the design, the collecting, sorting trials, tearing and spinning trials until the actual production trials and product testing, the project was able to recycle 2.5 tons of pre-and post-consumer textile waste into product prototypes with a promising commercial interest.

This did not happen without roadblocks: "Through our two years of collaboration, we came across several

hurdles in the textile recycling value chain, which we could tackle. This was a proof of concept that a circular system is possible and we now have to enable this at full scale as an industry," is the conclusion.

"This project was an important step for us to come closer to the realization of new products made out of post-consumer textile waste. We need innovations and collaborations like this to enable a circular textile industry. For Texaid, it was important learning to understand the hurdles in the sorting, pre-processing, and further processing steps, and are thrilled to see the first product prototypes with recycled content reach the market next year," commented Martin Böschen, CEO of the Texaid Group, in a press release.

For the sweater, discarded jeans were cleaned of foreign substances and shredded into fibres in France. Rieter then spun these into a rotor yarn for use in knitwear. It was partly mixed with virgin fibres from organic cotton in various proportions and tested.

According to the description on the project website, "in the process, we tried to achieve as high a recycled content as possible. We were able to produce test yarns with a proportion of 70, 80 and 90 percent recycled fibres from jeans."

Prototype socks

Two different raw materials were recycled for the socks: unworn Zivi t-shirts and unworn pants from Coop bakeries; in the future, worn garments will also be used.

In a first step, all labels, buttons, zips and cuffs were removed. Then the textiles were shredded in France and Italy. The shredded baker's trousers were then spun into a ring yarn by Rieter and the Zivi t-shirts into a rotor yarn by Marchi & Fildi.

Prototype carpet

Old winter coats with a wool content of at least 70 percent that Texaid could no longer use were utilised for the carpet. They were first sorted by colour and materials, then unwanted materials such as lining, glue, buttons and zips had to be removed.

Together with textile waste from Tiger Liz Textiles, the leftover coat material was shredded into fibres in Italy. Marchi & Fildi then spun these into a carpet yarn that consisted of 30 percent wool from the old coats, 20 percent wool from old sweaters and 50 percent new, undyed New Zealand wool. Ruckstuhl processed it into a carpet that withstood a stress test.

Prototype bag

For different types of bags, both used and unused baker's jackets from Coop were used and freed from unwanted components. Together with old black t-shirts collected by Texaid, they were shredded into fibres in France. These were processed into various fleeces.

"The aim of this series of tests was to develop a fleece exhibiting good values in terms of strength and abrasion, but also to investigate the possibilities of the art-related use of recycled materials in the fleece," explains the product description.

The fleeces produced were evaluated by an extended project group consisting of Coop and Rossi Design Ltd. and turned into prototype accessory products. They consist of 75 percent shredded fibres and 25 percent Biko-PET fibres, which are required to solidify the material.

Prototype insulation for vest

The basic material for the garment's insulating fleece was duvets and cushions with polyester padding collected by Texaid. In a first step, the collected material had to be carefully separated from the outer shells. The project group tested different cleaning methods and opted for ozone technology.

The cleaned polyester flakes and the fleece were then pulled apart by Jakob Härdi AG. The loosened fibres were blended with fibre residues from production and Biko fibres and processed into a fleece.

The resulting fleece consists of 100 percent PET. The blend consists of 49 percent recycled fibres (from bedding), 30 per cent rPET from industrial waste and 21 percent PET Biko binding fibres. The fleece is 20 millimetres thick and has a grammage of 200 g/sqm. It was used as an insulating layer in a vest supplied by Workfashion.com.

Source: Fashion United

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Transforming the skill landscape

Indian Textile Industry provides revenue which is 27% of the total foreign exchange, mainly through textile exports. It contributes nearly 14% of the total industrial production of the country. Indian textile industry is also the largest in the country in terms of employment generation and currently generates employment to more than 35 million people.

To remain competitive in the open market, it is essential that the industry gets skill labor. GoI has taken strong initiatives to support skilling of workforce.

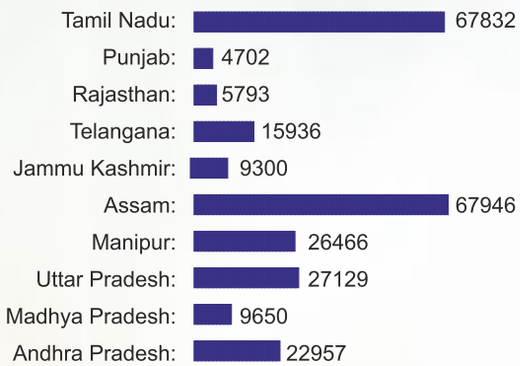
STRATEGIC HIGHLIGHTS

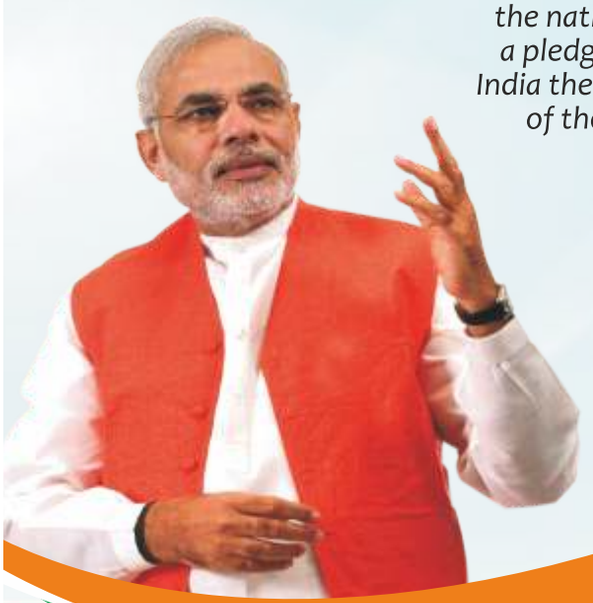
Affiliated 279 training partners. Out of these 195 are from organized mill sectors and 84 are from unorganized sector. To enhance spread of training over number of job roles, qualification packs were developed for 90 job roles.

58 Workshops were organized across India and including North-East.

TSC has a strong presence on social media and is now able to connect with remote areas of the country.

Region wise Enrolment :





"I call upon the nation to take a pledge to make India the Skill Capital of the World."

TSC's ACHIEVEMENTS

Schemes: PMKVY, APSSDC, NBCFDC, NSFDC, NSKFDC & NCSR

Textile Sector Skill Council (TSC) is a not-for-profit Section 8(1) company established in August 2014 by 17 industry associations and 3 export promotion councils.

Continuously guided and monitored by more than 80 stakeholders representing all sub-sectors of the industry - organized textile mills and MSMEs.

TSC has . . .

- ✓ developed a full-fledged skill ecosystem to meet the skill needs of more than 80% of workforce employed both in organized mill sector, as well as, small and medium units of decentralized sectors which include handlooms, power looms and dyeing & printing units.
- ✓ established 430+ training centers all across the country which are operated by 1,350+ certified trainers.
- ✓ developed 90 QPs. Out of these 67 QPs were offered to train more than 56,000 fresh candidates and 2,20,000 RPL candidates across 19 states including NE and J&K.
- ✓ enabled 80% of certified candidates to be employed by industry with salary ranging between Rs. 8,000 and 14,000 (CTC).
- ✓ facilitated 250 RPL certified handloom weavers in availing Pradhan Mantri Mudra Loan to become entrepreneurs.
- ✓ connected 160 certified handloom weavers to buyers from foreign countries.

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NEW DELHI - 110 001 I Office: +91-11-43536355-7 (3 lines)
Email: info@texskill.in I web: www.texskill.in