

# HANDLOOM EXPORT NEWS LETTER

AUGUST 2022

Vol. No. : 2



**HANDLOOM EXPORT PROMOTION COUNCIL**  
(Ministry of Textiles, Government of India)

## ***HEPC Upcoming Calendar of Events***

Sl. No.	Name of the event	Country	Dates
1	Buyer Seller Meet	Sweden & Denmark	Sept 2022
2	Who's Next, Paris	France	2-5 Sept 2022
3	Maison & Objet, Paris	France	8-12 Sept 2022
4	Heimtextil Russia, Moscow	Russia	20-22 Sept 2022
5	All Fashion Sourcing (Formerly ATF), Capetown	South Africa	26-28 Sept 2022
6	IHGF, Delhi - EPCH	India	Oct 2022
7	Special Promotional Event	Singapore	Oct 2022
8	High Point Market, USA	USA	22-26 Oct 2022
9	China Import & Export Fair (CANTON) Phase III	China	31 Oct - 4 Nov 2022
10	Buyer Seller Meet	Chile	14-15 Nov 2022
11	International Sourcing Expo, Melbourne	Australia	15-17 Nov 2022
12	Special Promotional Event	Malaysia	Nov 2022
13	Special Promotional Event	Dubai	Dec 2022
14	Special Sourcing Show - NER	India	Dec 2022
15	AFL Artigiano in Milan - NER	Italy	Dec 2022
16	Heimtextil, Frankfurt	Germany	10-13 Jan 2023
17	Domotex, Hannover	Germany	12-15 Jan 2023
18	Who's Next, Paris	France	20-23 Jan 2023
19	Ambiente 2023, Frankfurt	Germany	3-7 Feb 2023
20	Spring Fair, UK	UK	5-8 Feb 2023
21	Pure london, UK	UK	17-19 July 2022
22	Sourcing at Magic, Las Vegas	USA	7-10 Aug 2022
23	Reverse Buyer Seller Meet at Chennai / Delhi (ITSF)	India	8-10 March 2023

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## HANDLOOM EXPORT

Newsletter of Handloom  
Export promotion council  
August 2022

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## Chairman's Column

**Dear Members,**

First of all I like to express my happiness that the Political and Economic situations of buying and selling countries favouring India in the global textile world. Growing global demand in sourcing textiles from India, India's strong response to gain market share, China+1 policy of buying world, US ban on Xinjiang cotton, Positive measures and push from Indian Government, Weaker INR & Stronger Chinese currency are the most favouring factors to Indian Textile Industry to grow their global presence.

The textile industry so far faced big challenge in erratic price hike of raw materials such as yarn, fabrics which affected the export business for more than a year amid COVID-19. The Council had made several representations with the ministry to regulate the cotton price. In response to our effort, now, the government has waived customs duty on cotton imports till 30th September 2022 and also formed the cotton advisory committee with Cotton Council of India to resolve the issues related to cotton & yarn pricing which will bring substantial improvements in the textile industry. It can also be witnessed in the recent price drop in the yarn price.

Due to the ongoing recession in US and EU, it is expected that the retailers will only prefer to import in small volumes rather than large. China is having the expertise in supplying large volume of orders but the ongoing recession will compel the retailers to go for small volume thereby provide opportunity to India where the small volume of order could be supplied at competitive price in order to grow even in recession period and later to have bigger list of customers.

As impact of recession, overseas customers may delay the deliveries, which may lead Interest loss, even few customers may fail in payments. I suggest the exporters to give due care in selecting new buyers and setting payment terms with customers. The exporters should ensure that the business is covered under ECGC to avoid any loss due to non receipt of payment from the buyers. I suggest the member exporters to utilise the schemes provided by the ECGC for MSMEs and contact the ECGC officials for further assistance.

Government of India has inked bilateral trade pact with the potential market such as Australia and UAE. The import tariffs for the Indian textile products are entitled for the preferential access in Australia and UAE and it is win-win for both the Countries. The ongoing negotiation with other major markets like EU, Canada will be finalised soon. Due to trade pact, the global customers will prefer to import from India for their advantage in import duty. On a whole, there will be tremendous opportunity available to increase textile export share in the global market in the coming years. In order to capture the momentum, it is mandatory to increase our capacities and product lines.

The textile industry is facing challenges in the volatility in the price of raw material especially natural fibres like cotton. Also, the global demand for the mixed fibres of cotton and synthetic is also increasing. Hence, the export community needs to focus on developing products with mix of cotton and alternate manmade fibre to increase our export share.

At present, Council is catering the marketing support to both handloom industry as well as home textile sector. Considering the interest of majority of members, council will focus on promoting Home Textile along with our core range products made of Handloom fabrics. The action plan for the marketing activities which supports the handloom and hometextile industry is being devised accordingly for the financial assistance from the ministry.

As per the export data figures, handloom exports for period April- March 2022 is in a positive trend of 19.87% in USD terms compared to April- March 2021. In the detailed analysis, Made ups (35%) and Floor coverings (14%) are showing increasing trend but Clothing accessories and Fabrics are in declining trend. The export of handloom products for the period of April 2022 was Rs.149.01 crore / US\$19.56 million as against Rs.161.71 crore / US\$ 21.71 million for April 2021 registering negative growth by 7.85% in rupee terms 9.90% in dollar terms. India's total home textile exports fetched around \$ 9 bn during 2021-22.

There are difficulties and challenges being faced due to recession by exporters, however, I urge all our members to continue their efforts to increase the handloom and home textile exports.



With regards

A handwritten signature in black ink, appearing to be 'P. Gopalakrishnan', written over a circular stamp or seal.

**P.Gopalakrishnan**  
Chairman

## Report

### ***Field Visit to Uttarakhand***

Craft cluster in Uttarakhand are heavily dependent on their local natural resources. Uttarakhand has a remarkable repertoire of plants and a large population of sheep and goats. They have traditionally prospected for natural fibre, particularly to make yarn and rope. Uttarakhand is home to a wide range of fibres sourced from plants. There are around 40 fibre yielding plants are there. Uttarakhand is the producer of woollen yarns from the fleece

of sheep, goat and rabbit and the silk filament form wild caterpillars living in oak forest. The core institutional ecosystem for crafts in the hill state is provided by Uttarakhand Handloom and Handicraft Development Council (UHHDC). Uttarakhand bamboo and Fibre Development Board (UBFDB) focusing on engaging with bamboo, Ringal and natural fibres like Nettle, Hemp and Bhimal.

#### **Day 1:**

The Council officials had met the Secretary MSME(Textiles) Shri Pankaj Kumar Pandey, IAS on 31.05.2022 followed by visit to National Handloom Expo, Dehradun wherein handloom producers in Uttarakhand have exhibited their product

#### ***Meeting with Secretary MSME(Textiles)***



#### ***Visit to National Handloom Expo at Dehradun***



#### **Day 2:**

#### ***Visit to Kumaon Woollens, Lamachaur, Haldwani, Nainital***

On 1<sup>st</sup> June, Council officials visited **Kumaon Woollens, Lamachaur, Haldwani, Nainital** Kumaon woollen is the integrated units which has units form fibre extraction to finished products of garments. They are producing luxury products and also have showroom in important tourist places such as Almora, Delhi, etc. apart from the factory showroom and they are interested for export also. They also produce luxury handloom items using natural fibres like wool, bhimal fibre, hemp, Nettle, etc. They are giving employment to around 200 artisans and handloom weavers.



Also this unit can be projected for textile tourism since it is situated alongside organic farming and serene beautiful surroundings. It will attract foreign buyers to visit as tourist because of its location and can see all handloom activities in person and can place export orders.

### Day 3:

#### **Visit to Himadri Hans Handloom, Dugalkhola, Almora and River view factory, Almora**

During 2nd June, Council officials had visited Himadri Hans Handloom, Dugalkhola, Almora which belongs to Nandha Devi Cooperative Society. It is a state government foundation run by "The Hans Foundation", NGO with the capacity of 140 handlooms. At present Himadri Hans Handloom, Dugalkhola, Almora is being supervised by Ms. Vandana, IAS, District Magistrate.

Followed by, Council official had visited River view factory, Almora, a sister concern of Himadri Hans Handloom. They are majorly producing products made from Nettle fibre and have units of dyeing, processing, testing, etc. Nettle fibre are extracted from this exclusive plants available in the Himalayan hill range. It was suggested to keep special short note on the products manufactured from this fibre can be attached to attract the attention of international buyers/market.



#### **Visit to Khadi Units, Almora**

Council official had visited Khadi unit at Almora, a state government undertaking units. Currently, they supply only to the domestic clients and their woollen blankets are exportable.



### Visit to Handloom unit at Mahuadabra, Jaspur (Kashipur).

After the visit to Khadi units, Council officials proceeded to **Handloom unit at Mahuadabra, Jaspur (Kashipur)** at around 10.45 pm. The Jaspur village is located between Haldwani and Haridwar and is also called "Recycle village" which produces cost effective

recycled product at low price.

This is green eco product and can be exported at much higher price than their current price of around Rs.100 per piece of bigger shawls.



#### **Day 4:**

### Visit to Godambari Enterprises, Jauhri Gaon, Dehradun

On 3rd June 2022, we have visited Godambari Enterprises, Jauhri Gaon, Dehradun and the unit is having the wider width looms of 120-inch and capable for producing 102-inch bed linen for local market. They also produce value added natural coloured tie & dye fabrics, garment, stoles, shawls using natural dye. They are also doing value added product like natural dyed bed sheets, wider width 120 "inch tie & dye, bed sheet, garments, stoles, shawls, etc.



### Visit to Bhartiya Gramothan Sanstha, Dhalwala, Rishikesh

Followed by, Council official have visited Bhartiya Gramothan Sanstha, Dhalwala, Rishikesh, Tehri Garhwal, a NGO manufacturing khadi related products like Jute bags, bed sheets, floor coverings, Geo textiles, specialised curtains using various kinds of natural fibres and wide width fabrics. The said unit is supplying fabrics to Fab India, Reymond, etc. Besides the field visits organised by the industries department, Uttarakhand, and the products identified for export, it is ascertained from the handloom expo at Dehradun that the products of

- 1.Chindi Durries of Timli village
- 2.Imlikhera blanket (loi blanket)
- 3.Woolen product form angora rabbit, sheep of Darkot
- 4.Handwoven stoles from nettle of Nainital, hemp of Urgam village are the other major identified exportable products from Uttarakhand state.

\*\*\*\*\*

## Report

### **Seminar at Cannanore, Kerala**

Council organised a seminar on “Awareness Programme on “Identifying and handholding exportable products at Cannanore” on 9th June 2022. Nearly 65 exporters / Clusters / Societies have participated (as per list enclosed) in this event. The welcome address delivered by Shri Sundar Murugesan, Joint Director, HEPC and special address initiated by Shri Divakar, President, Kerala Textile Export Organisation (KTEO) and appreciated the Council's initiation to organise the seminar for the awareness of members and handloom societies of Kannur. He also detailed about current export market of Cannanore and its diminishing trend. Also mentioned the importance of making a processing unit at Cannanore for exporters. Subsequently, Shri Sundar Murugesan, Joint Director, have done a presentation on “Role & activities of HEPC”. He explained about Council's activities in detail and benefits of exporters who enrolled with HEPC. Also explained about exportable products of Cannanore and KTEO members also interacted well during the session. The presentation on “Customs Procedures and

export Incentive” done by Shri C.V.Jayakanth, IRS, Deputy Commissioner, Air Cargo Complex Cannanore on behalf of Customs, Preventive, Commissionerate, Kochi. He explained in detail about procedures in Customs and incentives. KTEO members also interacted with deputy commissioner and raised about the current issues faced by their exporters at Cannanore and clarified their queries. Subsequently, presentation done by Ms. Mukthy.S., Asst. Prof, NIFT, Cannanore, and detailed about design trends and branding of handloom products at Cannanore. This was followed by the presentation on “Central Schemes” by Shri S.T.Subramanian, Deputy Director (weaving), Weavers service Centre (WSC), Cannanore. He detailed about various schemes of Government and also requested Clusters / weavers of Cannanore to enter into export market. The last session of the seminar was taken by Shri MaheswarGuin, Sr. Officer, NHDC and detailed about yarn Schemes. During the seminar Joint Director advised all exporters / Societies to participate in the event through Council.

#### **Few pics of the seminar:**



***Welcome speech by  
Shri Sundar Murugesan, Joint Director***



***Special Address by  
Shri Divakar, President KTEO***

#### **Meeting with Deputy Director, Weavers Service Centre (WSC), Kannur**

After the seminar, Shri Sundar Murugesan, Joint Director, along with Council's official visited WSC, Cannanore, and interacted with Shri S.T.Subramanian, Dy. Director (Weaving), and expressed gratitude towards coordination extended for seminar by helping HEPC to make sure inviting Clusters / Societies of Cannanore for attending the seminar. They have provided the list of societies (nearly 300) of Kerala and also assured their support to guide some of the leading societies (around 25).





### **Visit to Clusters / Societies / Exporters firms & NHDC**

M/s. Irinave Weavers Society have a very good collection of exportable items and they already exporting to Japan in small quantity. Joint Director suggested them to change their marketing strategy to start the exports. Also guided them for product innovation. They are undertaking uniform fabrics work of Kerala state government as line most of the other societies are doing the same in Cannanore. The Joint Director has guided them to get the buyers of other regions also, since their product is having export value. M/s. The Kalliaaseri Weavers societies are exporting through buying agents and not doing direct exports. They have very good manufacturing unit with all the amenities. The Joint Director have guided above societies to participate in events through Council to get the buyers. Few pics taken during the visit is placed below:

Further we have visited / contacted the firms of few exporters -Dinesh Apparels, Chandra Textiles, Omkar International. We have visited, National Institute of Fashion Technology (NIFT), Cannanore and interacted with Professors. NIFT, Cannanore team confirmed their support to undertake suitable cluster development programme and schemes along with HEPC like.

1. Design innovation for exportable fabrics
2. Creation of unique handloom fabrics which cannot be replicated in powerloom or millmade
3. Application of unique natural dyes and printing pigments on handloom fabrics
4. Modernisation of existing looms to weave wider width handloom fabrics more than 120" inch onwards



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## Heimtextil 2022

### About Heimtextil June 2022

In view of the cancellation of the regular Heimtextil in January due to the pandemic, the Heimtextil in 2022 was held as a one-time Summer Special parallel to Techtextil & Texprocess at the request of the industry from 21 to 24 June 2022. Exhibitors and buyers benefited from valuable synergy effects between the three international trade fair formats. The Heimtextil Summer Special was also a valuable profit-making event for volume-oriented suppliers and buyers from Europe and overseas. With a total of 117 participating nations, around 63,000 visitors and 2300 exhibitors, a brilliant re-launch of the international textile fairs at the Frankfurt exhibition center was achieved.

### A scenario on Global Textile Market

The global textile market size was valued at USD 993.6 billion in 2021 and is anticipated to grow at a compound annual growth rate (CAGR) of 4.0% from 2022 to 2030. Increasing demand for apparel from the fashion industry coupled with the growth of e-commerce platforms is expected to drive the market growth over the forecast period. The industry works on three major principles, designing, production, and distribution of different flexible materials, such as yarn and clothing. The U.S. is anticipated to be the largest market in the North America region for textiles. It is one of the largest producers, raw cotton exporters, and top raw textile importers. Fashion is the largest application segment in the region owing to the fast-changing fashion trends due to increasing online fast fashion companies. There has been an increasing trend of smart textiles in the market that use optical fibers, metals, and various conductive polymers to interact with the environment. These help in detecting and reacting to various physical stimuli, such as mechanical, thermal, or chemical & electric sources. This is expected to propel the growth of the technical application segment in the market during the forecast period. Increasing consumer preference for sustainable products is forcing major companies to focus on

restructuring their business and investing in manufacturing practices that target sustainable products.

### Raw Material Insights

Cotton led the market and accounted for more than 39% share of the global textile revenue in 2021. Cotton being the world's most important natural fiber is attributed due to its superior property such as high strength, absorption, and color retention. China, India, and the U.S. are the major producer of cotton and cotton-based products in the world. Chemical-based textile is estimated to account for 97,075.9 kilotons in 2021, as they play an important role in the entire textile manufacturing industry. Though chemicals are hazardous to human health and the environment, they are extensively used as mercerizing agents, neutralizers, leveling agents, binders, thickeners, and stain-removers in the textile industry. Wool-based textile accounted for 13.3% of the market in terms of revenue in 2021. Wool primarily composed of hydrogen, carbon, sulfur, and nitrogen, is extensively used to manufacture insulation products such as winter wears, blankets, carpeting, upholstery, and others. In addition, the products made from the same are used to absorb odor and noise in heavy machinery, thereby contributing growth to the technical application segment. Other raw materials used in the production of textiles are silk, minerals such as glass fibers and asbestos, and other synthetic material. Silk finds extensive use in the manufacturing of clothing, surgical suture, parachutes, silk comforter, and various others having high strength and elasticity is expected to drive the segment growth over the forecast period.

### Product Insights

Natural fibers led the market in 2021 accounting for the maximum revenue share of more than 44.5%. This high growth was attributed to the wide use of natural fibers in diverse applications of the fashion and apparel industry. The segment will expand further at a

steady CAGR from 2022 to 2030 due to the increasing environmental concerns coupled with the consumer shift toward sustainable products, which will drive the demand for natural fibers. The nylon segment is estimated to register the fastest CAGR, in terms of revenue, over the forecast period. It is widely used in apparel and home-furnishing applications owing to its high resilience, elasticity, and moisture-absorbing properties. In addition, it acts as a substitute for silk-based products, such as women's stockings, parachutes, flak vests, and various others.

The polyester segment is expected to witness a significant growth rate from 2022 to 2030, which can be attributed to the rising demand for polyesters due to different properties, such as high strength, chemical & wrinkle resistance, and quick-drying properties. It is used in both, households as cushioning & insulating material in the pillows and in industries for making carpets, air-filters, coated fabrics, and others. The others product segment includes Polyethylene (PE), Polypropylene (PP), aramid, and polyamide. Properties, such as high resistance against acids & alkalis at high temperatures and minimum moisture retention, have increased the demand for PE in the market. Moreover, the use of PP is adding positive growth to the others segment.

#### **Application Insights**

The fashion application segment led the market and accounted for more than 73% of the global revenue share in 2021 owing to the increased consumer spending on clothing and apparel. In addition, high consumer demand for crease-free suiting & shirting fabrics, as well as quality-dyed & printed fabrics across the globe will drive the segment growth further. An increase in demand for formal & casual wear and other fashionable clothing among all age groups across the globe is the major growth driving factor for the market. Moreover, the growing population and rapid urbanization in the emerging economies, such as India, Bangladesh, Vietnam, and Brazil, are likely to boost the demand for clothing and apparel, thereby positively contributing to the segment growth

The demand for textiles in the technical segment is expected to grow at a significant CAGR, in terms of volume, over the projected period, owing to its high-performance properties and end-user applications. In addition, increasing application in the construction, transportation, medical, and protective clothing applications have boosted the use of the same, which is consequently driving the textiles market. The use of textiles in different areas of a household is one of the prominent growth driving factors for the household application segment. The segment includes bedding, upholstery, carpets, kitchen cloths, towel, and others. In addition, the high consumption of natural fibers, such as linen and cotton, along with synthetic fibers for manufacturing household textiles is further propelling the segment growth.

#### **Regional Insights**

Asia Pacific dominated the market and accounted for over 48% share of global revenue in 2021 owing to the increased sales volume of clothing and apparel goods. In addition, the presence of a high number of customers on e-commerce platforms buying clothing and related accessories in developing economies is adding positive growth to the regional market. Increased penetration of organized retail, favorable demographics, rising disposable income levels, and favorable government policies are also expected to drive the market in APAC, especially in countries, such as India, Bangladesh, and Pakistan.

For instance, in India, 100 percent Foreign Direct Investments (FDI) is allowed in textiles, which is set to focus on positive market growth. The market in Europe is expected to grow at a significant CAGR over the forecast period. It can be attributed to the favorable government policies and trade agreements, such as free-trade agreements and Euro-Mediterranean Dialogue on the textile and clothing industry. The demand for textile in North America and Central & South America is likely to witness promising growth over the projected period owing to the rising demand from sports & apparel and home-furnishing textile products. In addition, the consumption

of textile fibers, such as synthetic and cellulose fibers, needed for filtration in industrial applications is expected to have a positive impact on the regional market growth.

#### **HEPC's Participation in Heimtextil June 2022**

HEPC's presence in Heimtextil spanning a period of over two decades with an objective to cater to the members' demand who largely export hometextiles which constitutes over 85% of total export of handwoven products continued in the first ever summer edition of Heimtextil held at Frankfurt during 21-24, June 2022. The event participation was organised by the council availing financial assistance under Market Access Initiative Scheme of Ministry of Commerce & Industry, Govt. of India as a carry forwarded event from January 2022. As there were issues concerning VISA for travel to Germany and uncertainties regarding the event happening due to the COVID variant threat, against the targeted number of 45 participants, Council had 41 exhibitors from all over India.. HEPC in coordination with MesseFrankfurt ( India) and with the support of German Consulate in Mumbai and VFS Global organised VAYD services of VFS at its premises facilitating VFS appointments for the participants from Southern region. Further, the Council had also closely followed with the Embassy of Germany in New Delhi to expedite the VISA processing for the exhibitors from Northern region.

Unlike the past edition, this event was held concurrently with Techtexil and Texprocess and there were almost no participation from China and with the result the Heimtextil area for Asia Pavilion was confined to three levels of only one Hall viz Hall 6. Based on the profile of member participants, space was acquired in Hall 6.0 (284sq.mtrs ) and 6.2 (586 sq.mtrs) for a total area of 870 sq.mtrs. As in the past, the participants were provided spaces both as a raw space (642 sq.mtrs) for the participants to have their own custom built stand and as a standard booth (228 sq.mtrs) with a pre-equipped stand for those who are looking for an affordable space for participation. The participants under HEPC were from Alappuzha (Kerala), Panipat &

Gurgaon (Haryana), Noida & Hathras (Uttarpradesh), Delhi, Karur, Madurai & Chennai (TamilNadu), Agra(UttarPradesh), Jaipur(Rajasthan). The products exhibited include the entire range of home textiles such as Table Linen, Kitchen Linen, Bed Linen, Bath Linen, Curtains, Cushions, Floor Coverings etc.

#### **4.1. Inauguration**

The HEPC pavilion was inaugurated by Shri. Upendra Prasad Singh, Secretary (Textiles) in the presence of Smt.Shubhra, Trade Advisor, Ministry of Textiles, Govt. of India, Shri. Ramkumar, Consul ( Coordination) from the Consulate General of India in Frankfurt, Shri.P.Gopalakrishnan, Chairman, HEPC, Shri.N.Sreedhar, Executive Director, HEPC and Executive Directors of TEXPROCIL and SRTEPC The Secretary (Textiles) also released the exhibitors catalogue brought out exclusively for the event by the HEPC. Subsequently, the Secretary (Textiles) also visited the exhibitors and interacted with them.



#### **Meeting with MesseFrankfurt Management Team**

HEPC organised meeting for the visiting Ministry delegation led by the Secretary (Textiles) with Mr.Detlef Braun, Member of the Executive Board of MesseFrankfurt, Mr. Olaf Schmidt, Vice President Textiles and



Textile Technologies, Ms.Meike Kern, Director, Heimtextil, Mr.Michael Janecke, Director Brand



Management Technical Textiles and TexProcess and Mr.Raj Manek, Managing Director & Member if the Board Messe Frankfurt Asia Holdings and other Team members from MesseFrankfurt. During the meeting , the market scope and the need for India to emerge as a key player in technical Textiles was discussed. The Chairman, HEPC requested for consideration of better location of stalls for the Council and also highlighted the issues being confronted by many participants in constructing their customised stand by private agencies and requested that these agencies be regulated so as to avoid any failure on their part in executing the stand construction on time.

### Interactive Meeting with the Exhibitors & Buyers.

Coinciding the visit of the delegation

from the Ministry, HEPC also organised an interactive meeting of exhibitors and Buyers chaired by Shri.Upendra Prasad Singh, Secretary (Textiles) in the presence of Dr.Amit S Telang, Consul General from the Indian Consulate office in Frankfurt and Smt.Shubhra, Trade Advisor. The opportunity was well utilised by the exhibitors to highlight some of the issues concerning industry such as steep increase in raw material price, consider export incentive for handwoven products particularly products such as cushion covers from the existing RODTEP to ROSCTL and reclassification of Cushion cover products from 94 to 63 chapter. The Chairman, HEPC highlighted the issues pertaining to the limited HS codes earmarked for HEPC in spite of a wide spectrum of products being exported from the sector.

The visiting delegation also had meeting with ITMF (International Textile Manufacturer's Federation) , VDMA (Association of Germany's Engineering Industry ) , CEO Forum and other factory visits like Karl Mayer etc coordinated by other EPCs. In honouring the visiting delegation, the Consul General of India, Frankfurt hosted a Dinner on the last day of the event with a feedback session which had the participation of Chairmen, Executive Directors of participating EPCs.



### Onsite Advertisements

Council has undertaken various on-site publicity activities such as distribution of exclusive exhibitor's catalogue, on-site advertisements such as Lumio, Triangle Tower, Optimo services and Window Advertisements.

### Event Outcome

As the event was held after a gap of nearly 30 months, all the participants in the event had a satisfactory outcome despite less number of visitors as compared with regular Heimtextil event. The spot order confirmation returned to the business in Heimtextil with many exhibitors reportedly had confirmed business and good amount of trade enquiries. The participants under HEPC reported that they had spot order worth Rs.97.28 crore and trade enquiries worth Rs.30.14 crore was also generated during the event from a total business visitor of 1160 who visited our

exhibitors. Most of the exhibitors wanted to rebook their space for Heimtextil 2023 with a larger size booth.

In view of the visit of the high level delegation from the Ministry, the Council was represented by the Shri.P.Gopalakrishnan, Chairman, HEPC, Shri.N.Sreedhar, Executive Director and Mr.P.Rangasamy, Joint Director coordinated the onsite activities relating to the various meetings organised during the visit of the Secretary(Textiles) and also members' participation in the event. This summer edition of Heimtextil delivered to the expectation of many exhibitors and in some cases even surpassed in fulfilling the expectation of its exhibitors in terms of business generation. The next Heimtextil will take place from January 10 to 13, 2023. The next Techtextil and Texprocess will be held from April 23 to 26, 2024.

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**Deal**  
**Forex Online**

# FX-Retail

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### ***Labour and Skills – Key Pieces in the Sustainability Puzzle***

The question of skilled labour is hard to pose to the global economy at a stage when there is a general mismatch in the labour market across the world. Although several sectors now have adequate or more workers than required, many sectors are in want of a larger supply. Since last year, as all sectors reopened post the lockdown, recovery in economic activity has kept the demand for labour higher than supply in previously hard-hit sectors such as fashion, hospitality, travel & tourism, and some manufacturing industries.

- The general inclination towards making textile and apparel industry more sustainable has increased in the last few years. In this movement, the role of digital technology and research & development is understood to be tremendous.
- Many digital solutions today promise greater visibility in the textile and apparel value chains and are being used to measure and reduce the impact of the industry on the climate. On the other hand, research & development is a key ingredient when it comes to the crucial field of material innovation among others. Both these drivers of change in the textile and apparel industry, however, assumes that the labour requirements could be met adequately.
- The question to be asked is do we have enough skilled personnel to achieve whatever sustainability targets we might set for the industry. Some would say the obvious answer is “no”, but let’s look more closely at the data behind it.

#### **Technological shift and widening skill gap**

One of the key challenges that faces the textile and apparel industry today is the technological shift itself, while the conventional skills of the industry lag far behind. On top of this, there is a general shortage of workers with genuine factory experience as the generation

which got experienced in the factory will be retiring in some years and the supply of workers today is more adept at using digital technology than industrial machinery. The industry, however, needs both and needs them quicker.

- There are several distinct changes in the industry that may require newer paradigms of relation between workers and technology. ILO Paper on future of work in the textile, clothing, leather, and footwear industry published in 2019 highlights some megatrends that will influence these changes.
- The use of laser cutting instead of manual cutting of fabric, the dramatic reduction in cost of making garments using sewbots, heavily automated production of footwear by some large brands, and the use of automated knitting machines to reduce time to produce sweaters are some examples of labour-saving technological advancements.
- If these changes are adopted at a larger scale, then it can enable re-shoring of production closer to consumers as the relevance of lower labour costs in emerging countries will simultaneously decline. The use of technology not just brings greater savings in the industry and transparency of the supply chain but can also help improve the working conditions and reduce the gender imbalances that the industry is grossly infamous for. Many labour-saving technologies could save workers from hazardous activities that involve exposure to harmful chemicals and substances and extremely long working hours. Both environmental impact and working conditions in the fashion factories are key to ensure that the sustainability footprint increases as the industry progresses ahead.

- However, the ILO Paper mentions that even when the trend hints towards more use of

such technologies going forward, there will be a shortage of skilled workers that can operate these technologies. This could very well slow down the rate of automation in the industry disproportionately. This will be a complete reversal of the advantage that this very lack of skills provided to the textile and apparel industry for its significant growth over the past two to three decades.

- The skill gaps are also not just limited to being able to use new-age technology but also in designing products that fit the sustainability benchmarks. This involves various aspects – selection of appropriate materials, rethinking design to cater to consumer demands while also inching towards greater sustainability and being economical in costs and production processes.

- The demand from the textile, clothing, leather and footwear (TCLF) companies is also perhaps more for skills in the designing and production areas, as compared to their demand for green and digital skills. That is reflected in a 2021 EURATEX survey, conducted for the Pact for Skills programme for industries in European Union. The respondents in the survey (TCLF companies) reported demanding more of production process/design and conventional skills, while a large part also reported demanded up-skilling/re-skilling required to be ready for the new jobs. Another important aspect of the jobs scenario suitable for bringing greater sustainability would perhaps be the involvement of more soft skills as covered by 2021 report by Keeping Workers in the Loop, an industry collaboration on sustainability supported by Laudes Foundation and Swedish International Development Cooperation Agency (Sida), and in partnership with BSR's Sustainable Future Lab, CMS, and economists from the University of Lincoln.

- Soft skills such as problem solving, flexibility, greater learning ability, self and resource management were preferred more by recruiters. One of the examples mentioned in the report was of repair workers, who may be

required to inspect a garment, find the fault, and be able to mend and sew the garment accordingly. This will vary greatly in complexity from a repetitive sewing task in a production line.

- One of the most important skills would be to assess (or at least be aware of) the impact of a particular task on the overall sustainability goals of the organisation. This report also mentions that the technological and digital skills prevalent amongst the workers in the industry is significantly lower than would be required to scale up the efforts towards achieving greater circularity.

### **Policies adopted by some governments towards bridging the skill gap**

Some of the large economies/economic regions have made policy changes and taken initiatives to bridging the skill gap of workers in the industry.

#### **1) European Union**

As mentioned above, the Pact for Skills programme in the EU is in place to implement necessary processes to fill the skill gap in many industries. The Pact is to promote more collaborative efforts from organisations of all kinds to put in place processes that encourage up-skilling/re-skilling of workers to adapt well to the changing nature of jobs. Under the Pact, the government also provides support in the form of knowledge sharing about skilling opportunities available and financial and non-financial support to MSMEs to create a learning environment for both employers and staff. The programme is expected to involve collaboration from diverse stakeholders – companies, workers, educational institutes, training providers, local and regional authorities, chamber of commerce, and employment services.

The Pact also connects to various other related government projects such as Europass & EURES (full-service employment portals for work opportunities across Europe) and Skills Panorama (intelligence portal on current and



future skills and key labour market trends). The programme also includes designing new educational curriculums to cater to the new market trends and will also actively promote apprenticeships.

The EU government supported the establishment of a partnership for skill development in the TCF industries under the Pact for Skills in December 2021. The policy will focus primarily on skills related to eco-design, fibre development, innovative textile production, and repair & reuse as these are the most important for bringing the industry close to being circular.

## **2) United Kingdom**

The UK Fashion & Textile Association (UKFTA) is now the primary organisation in the UK responsible for skills and training in the UK fashion and textile industry. The UKFTA is bringing industry related knowledge and technical skills into curriculums at school as well as college levels to provide for a greater pool of skilled workers for the industry going forward. Post-Brexit, a good chunk of non-UK workers fled back to their home countries and will perhaps never return. This has led the sector skills body to recognise skill shortage and take corrective steps.

Recently, the Department of Education in the UK has also come out with a Sustainability and Climate Change Strategy to imbibe sustainability and climate change thinking and tools in the education and children's services systems. The strategy has tremendous focus on developing skill set in the students that would help achieve UK net-zero targets and climate change targets in their industries. The Strategy has set out with an initial investment of £3.8 billion to develop and implement different kinds of skills programmes (boot camps and courses) and help employers, education providers and other stakeholders to build capacity towards achieving these objectives.

## **3) Vietnam**

Vietnam is one of the largest hubs of activity in the textiles and apparel industry. Its

textile and apparel industry development plan until 2020 and vision for 2030 reflects extreme focus on developing the industry keeping in mind environmental protection. The development plan envisages to bring more research into the industry to create newer materials which are more environment friendly. It also envisions developing certification standards in line with international practices and building capacity to gain from international consulting and technology transfers to also create newer models of research institutes. Every bit of this change will need a thorough understanding of the skills required to undertake these tasks and training of human resources at many levels.

Training of human resources under the development plan document involves mention of technological skills, production management and trade keeping in mind the sustainability goals. The plan mentions development training programmes at the government level, and financial support to enterprises for conducting skilling and reskilling programmes for their workers. Support is also provided to training establishments to help enterprises and foreign partners in such human resource development programmes. For the established industrial parks, separate training establishments is provided to skill local workers and to those employed in the parks.

## **4) China**

In China, green industrial development has been in focus since more than 15 years. In its five-year plans, China has consistently laid out detailed plans to make its existing industries more sustainable and developing all infrastructure for sectors such as clean energy which can facilitate a green transition for the overall economy. The impact of China's development plans has led to labour moving from the conventional sectors in search for jobs in the 'sunrise' sectors. One key aspect of the green skill development is to make these workers (moving out of conventional sectors) to be employable in the newer sectors. In this objective, local governments, firms, and

employers' representatives in some cases, come together and negotiate job placement arrangements for the displaced workers. These arrangements likely include the employers providing green skills retraining to workers for these jobs.

### 5) India

The Government of India launched the Green Skill Development Programme in 2018 under the Ministry of Environment, Forest & Climate Change, with a vision to imbibe the youth with skills that could help them be more aware of the environmental challenges facing the entire world and could help them find solutions to these problems. The programme was launched to fill the gap for soft or green skills that would be of tremendous value in the future. To begin this programme, the government began with a pilot course – for skilling biodiversity conservationists (basic course) and para-taxonomists (advanced course) – for three months in ten districts across the country.

The programme also proposed several other courses that were planned to take place in due course over the next few years. Some of the relevant ones for the overall industry listed under the programme are – 1) Sustained and Enhanced Technical Knowledge in Solar Energy Systems, 2) Valuation of Ecosystem Services and

Green GDP, 3) Pollution Monitoring (Air, Water and Soil), 4) laboratory Technicians / Technical Assistants for electrical testing for environmental criteria, 5) Waste Management, 6) Laboratory Assistants for eco-friendly food testing facilities, and 7) Greenbelt Development for Industries, among several others. The programme envisaged to impart green skills to more than five lakh (500,000) individuals until the end of FY21 and continues to provide green skills and employment to the youth.

### Conclusion

In order to make the textiles and apparel industry more sustainable, the understanding and ability to work with the available technology is as important (perhaps more) than constantly developing newer ones. The world surely needs resource saving methods to produce, but we also need to imbibe both technological skills and soft skills (such as problem solving, ability to connect minor tasks with sustainability goals, etc) to a broader set of the population so that the technology serves its purpose. Several countries are framing policies towards skilling their workforce for greater resiliency, and many more will follow as the need becomes more imminent.

Source :

**FF** | **FIBRE2FASHION.COM**  
WORLD OF GARMENT · TEXTILE · FASHION

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## Attention Members

### RENEWAL OF YOUR MEMBERSHIP WITH HEPC FOR THE YEAR 2022-23

Kindly refer to Council's message dated 16th March 2022, 19th April 2022 & 27th June 2022 seeking membership renewal fee of your firm for the year 2022-23.

RTE/Members who have not yet send their membership renewal fee are requested to send their membership subscription for the year 2022-23 immediately. Also request you to renew your Registration Cum Membership Certificate through the link <https://www.dgft.gov.in>, as mentioned in Council's email dated 27th June 2022.

## Social Media Highlights



Meeting with Dr. Pankaj Kumar Pandey IAS, Secretary, Govt. of Uttarakhand and discussion on the visit of HEPC officials to the Handloom clusters in Uttarakhand.



Handloom Export  
Promotion Council



## Inauguration of HEPC Pavilion

Heimtextil, Frankfurt, Germany | June 21, 2022



Inauguration of HEPC Pavilion at Heimtextil, Frankfurt, Germany on 21 June 2022 by Shri. Upendra Prasad Singh, IAS., Secretary (Textiles), GoI in the presence of Shri P. Gopalakrishnan, Chairman, HEPC and Smt. Shubhra, Trade Advisor (Textiles), organised with a participation of 41 exhibitors under MAI scheme of Ministry of Commerce and Industry



Handloom Export  
Promotion Council



## Interactive Meeting of Exhibitors / Buyers

with **Shri. UPENDRA PRASAD SINGH, IAS**

Secretary (Textiles), Government of India

Messe Frankfurt, Germany | June 22, 2022



Interactive meeting of Exhibitors / Buyers with Shri. Upendra Prasad Singh, IAS., Secretary (Textiles), Govt. Of India in the presence of Shri P. Gopalakrishnan, Chairman, HEPC; Shri N. Sreedharan, ED, HEPC and Smt. Shubhra, Trade Advisor (Textiles)



Handloom Export  
Promotion Council

## Inauguration of HEPC Pavilion

Heimtextil, Frankfurt, Germany | June 21, 2022



Release of exhibitors' catalogue by Shri. Upendra Prasad Singh, IAS., Secretary (Textiles), Government of India



Handloom Export  
Promotion Council



A district level consultation with stakeholders from Gwalior, MP was scheduled on 05-07-2022 by O/o DGFT, Indore along with FIEO, EEPC and HEPC for promotion of exports of identified products from the district.



Handloom Export  
Promotion Council

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## Embassy Meeting



In order to promote exports, council has analyzed the exports of Handloom Products for the last 5 years focusing Top 20 countries in which the trend is decreased comparing 2017-18, 2018-19 & 2019-20. In this regard, council have organised a virtual meeting with Indian Mission abroad to focus on the issues and various reasons for decreasing trend with most potential markets and to formulate the apt strategy to increase handloom exports with Embassy of India, Stockholm on 17.06.2022

# HANDLOOM EXPORTS - TOP 1

## Handloom Export to USA

S.#	Category	HS Code	Products	2017-18		2018-19		2019-20		2020-21		2021-22	
				INR (Crore)	US \$ (Million)	INR (Crore)	US \$ (Million)	INR (Crore)	US \$ (Million)	INR (Crore)	US \$ (Million)	INR (Crore)	US \$ (Million)
1		50079010	Other Woven Fabrics Of Handloom	8.94	1.39	11.68	1.68	26.47	3.70	20.01	2.71	19.09	2.56
2		51129050	Othr Wovne Fabrics Of Comd Wool Or Comd Fine Anml Hair Of Handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3		52084121	Sarees Of Handloom	0.04	0.01	0.00	0.00	0.03	0.00	0.00	0.00	0.00	0.00
4		52084921	Real Madras Handkerchiefs Of Handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5		52085920	Sarees Of Handloom	0.20	0.03	0.01	0.00	0.00	0.00	0.00	0.00	0.02	0.00
6	Fabrics	52091111	Dhoti,Handloom	0.05	0.01	0.03	0.00	0.14	0.02	0.01	0.00	0.00	0.03
7		52091112	Saree,Handloom	0.29	0.05	0.03	0.00	0.02	0.00	0.00	0.00	0.10	0.01
8		52091113	casement of handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9		52091114	Sheeting (Takia, Leopard Cloth and Other than Furnishing ), Handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10		52091119	Other Fabrics,Handloom	5.38	0.84	3.96	0.58	5.57	0.78	3.92	0.53	4.75	0.64
11		52095111	Lungis Of Handloom	0.00	0.00	0.01	0.00	0.02	0.00	0.01	0.00	0.02	0.00
12		58021950	Terry Towelling And Smir. Terry Fabrics, Handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Subtotal			14.90	2.31	15.71	2.26	32.25	4.52	23.96	3.24	24.02	3.22
13		57024230	Carpets, Rugs And Mats Of Handloom	30.06	4.67	44.95	6.42	80.02	11.22	102.03	13.80	140.61	18.87
14	Floor Coverings	57050024	Cotton Durries Of Handloom (Including Chindi Durries, Cotton Chenille Durries, Rag Rugs, Durrie Printed Durries, Druggets)	22.38	3.47	30.98	4.42	33.93	4.77	43.06	5.83	121.34	16.27
15		57050042	Mats And Mattings Including Bath Mats, Where Cotton Predominates By Weight, Of Handloom, Cotton Rugs Of Handloom	175.19	27.19	197.07	28.28	164.34	23.08	178.26	24.16	160.66	21.62
	Subtotal			227.62	35.32	273.00	39.12	278.29	39.06	323.35	43.80	422.61	56.77
16	Clothing	62141030	Scarves Of Silk, Handloom	0.16	0.02	0.29	0.04	0.04	0.04	0.04	0.04	0.04	0.04
17	Accessories	62160020	Gloves , Mitters And Mitts Of Handloom	1.40	0.22	1.86	0.27	1.15	0.16	0.02	0.00	0.08	0.01
	Subtotal			1.56	0.24	2.15	0.31	100.71	14.03	57.41	7.77	15.01	2.02
18		63022110	Other Bed Linen, Printed: Of Cotton, Handloom	0.06	0.01	0.68	0.10	0.83	0.12	0.32	0.04	0.78	0.10
19		63025110	Other Table Linen: Of Cotton, Handloom	27.81	4.31	27.53	3.97	20.15	2.85	11.85	1.61	13.89	1.86
20		63026010	Toilet Linen And Kitchen Linen, Of Terry Towelling Or Similar Terry Fabrics, Of Cotton, Handloom	35.11	5.45	37.80	5.46	23.26	3.26	0.77	0.11	2.79	0.37
	Subtotal			17.26	2.68	21.43	3.07	13.83	1.96	6.79	0.92	6.19	0.83
21		63041940	Bed Sheets And Bed Covers Of Cotton, Handloom	18.07	2.81	25.91	3.67	12.32	1.73	14.23	1.92	17.27	2.31
22		63049211	Counterpanes Of Handloom	0.00	0.00	0.00	0.00	0.13	0.02	0.00	0.00	0.02	0.00
23	Madeups	63049221	Napkins Of Handloom	18.50	2.87	21.65	3.11	12.74	1.79	2.95	0.40	19.49	2.62
24		63049231	Pillow Cases And Pillow Slips Of Handloom	31.19	4.84	30.88	4.42	37.49	5.25	38.49	5.22	77.07	10.38
25		63049241	Table Cloth And Table Covers Of Handloom	32.97	5.12	37.19	5.36	25.58	3.62	5.38	0.73	12.83	1.72
26		63049281	Cushion Covers Of Handloom	47.91	7.44	37.35	5.36	38.95	5.48	32.80	4.45	35.57	4.78
27		63049291	Other Furnishing Articles Of Handloom	114.77	17.81	112.47	16.16	111.86	15.70	91.45	12.37	124.30	16.67
28		63049991	Other Furnishing Articles Of Silk: Handloom	0.69	0.11	0.48	0.07	0.39	0.05	0.49	0.07	0.38	0.05
29		63049992	Other Furnishing Articles Of Wool: Handloom	7.81	1.21	5.99	0.87	4.38	0.61	3.35	0.45	11.60	1.55
30		63071030	Floor Cloth And The Like Of Cotton, Handloom	0.00	0.00	6.16	0.88	0.00	0.42	0.19	0.03	0.09	0.01
	Subtotal			352.14	55.23	365.53	52.50	301.91	42.86	209.06	28.29	322.27	43.28
	Total			596.23	93.11	656.39	94.19	713.16	100.47	613.78	83.10	783.91	105.29

Source : DGCIR&S

# HANDLOOM EXPORTS - TOP 2

## Handloom Export to UK

S.#	Category	HS Code	Products	2017-18		2018-19		2019-20		2020-21		2021-22	
				INR (Crore)	US \$ (Million)	INR (Crore)	US \$ (Million)	INR (Crore)	US \$ (Million)	INR (Crore)	US \$ (Million)	INR (Crore)	US \$ (Million)
1		50079010	Other Woven Fabrics Of Handloom	5.86	0.91	5.08	0.73	7.73	1.08	8.27	1.12	10.19	1.37
2		51129050	Othr Wovne Fabrics Of Comd Wool Or Comd Fine Anml Hair Of Handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3		52084121	Sarees Of Handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4		52084921	Real Madras Handkerchiefs Of Handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5		52085920	Sarees Of Handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6		52091111	Dhoti,Handloom	0.01	0.00	0.02	0.00	0.12	0.02	0.10	0.01	0.03	0.00
7		52091112	Saree,Handloom	0.01	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.01	0.00
8		52091113	casement of handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9		52091114	Sheeting (Takia, Leopard Cloth and Other than Furnishing ), Handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10		52091119	Other Fabrics,Handloom	0.09	0.01	0.25	0.04	1.44	0.20	0.86	0.12	0.89	0.12
11		52095111	Lungis Of Handloom	0.00	0.00	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12	Fabrics	58021950	Terry Towelling And Smir Terry Fbrcs, Handloom	0.00	0.00	0.01	0.00	0.00	0.00	0.05	0.01	0.00	0.00
	Subtotal	57024230	Carpets, Rugs And Mats Of Handloom	8.37	1.30	5.25	0.75	9.30	1.30	9.32	1.26	11.12	1.49
		57050024	Cotton Durries Of Handloom (Including Chindi Durries, Cotton Chenille Durries, Rag Rug Durrie Printed Durries, Druggets)	3.02	0.47	5.89	0.84	4.94	0.69	7.01	0.95	7.63	1.02
14	Floor Coverings	57050042	Mats And Mattings Including Bath Mats, Where Cotton Predominates By Weight Of Handloom, Cotton Rugs Of Handloom	42.99	6.67	36.54	5.27	29.00	4.08	28.03	3.79	26.26	3.54
	Subtotal			54.39	8.44	47.69	6.85	55.66	7.82	64.33	8.71	67.28	9.04
16	Clothing	62141030	Scarves Of Silk, Handloom	0.52	0.08	0.24	0.03	0.05	0.01	0.07	0.01	0.02	0.00
17	Accessories	62160020	Gloves , Mitters And Mitts Of Handloom	0.57	0.09	1.20	0.17	0.36	0.05	0.00	0.00	0.00	0.00
	Subtotal			1.09	0.17	1.45	0.20	0.41	0.06	0.07	0.01	0.02	0.00
18		63022110	Other Bed Linen, Printed: Of Cotton, Handloom	2.27	0.35	0.13	0.02	0.00	0.00	0.00	0.00	0.00	0.00
19		63025110	Other Table Linen: Of Cotton, Handloom	2.48	0.39	2.92	0.42	3.08	0.43	1.99	0.27	0.43	0.06
		63026010	Toilet Linen And Kitchen Linen, Of Terry Towelling Or Similar Terry Fabrics, Of Cotton, Handloom	2.81	0.44	1.10	0.16	0.26	0.04	0.00	0.00	0.07	0.01
21		63029110	Other Bed Linen, Table Lenen, Toilet Linen, Kitchen Linen: Of Cotton, Handloom	4.49	0.70	4.32	0.62	2.27	0.32	1.13	0.15	0.99	0.13
22		63041940	Bed Sheets And Bed Covers Of Cotton, Handloom	24.26	3.76	4.15	0.60	1.65	0.23	1.77	0.24	2.04	0.27
23		63049211	Counterpanes Of Handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.14	0.02	0.17	0.02
24		63049221	Napkins Of Handloom	1.17	0.18	1.75	0.25	1.28	0.18	0.29	0.04	1.76	0.24
25		63049231	Pillow Cases And Pillow Slips Of Handloom	0.55	0.09	0.54	0.08	0.83	0.12	0.89	0.12	4.18	0.56
26		63049241	Table Cloth And Table Covers Of Handloom	3.41	0.53	1.90	0.27	1.63	0.23	1.25	0.17	2.30	0.31
27		63049281	Cushion Covers Of Handloom	18.73	2.91	17.56	2.52	10.65	1.49	18.53	2.51	31.34	4.21
28		63049291	Other Furnishing Articles Of Handloom	41.32	6.41	33.50	4.80	34.96	4.92	39.91	5.40	48.11	6.46
29		63049991	Other Furnishing Articles Of Silk: Handloom	0.10	0.02	0.01	0.00	0.04	0.01	0.02	0.00	0.04	0.01
30		63049992	Other Furnishing Articles Of Wool: Handloom	1.75	0.27	0.36	0.05	0.27	0.04	0.52	0.07	0.52	0.07
31	Madeups	63071030	Floor Cloth And The Like Of Cotton, Handloom	3.66	0.57	1.36	0.19	0.84	0.12	0.02	0.00	0.09	0.01
	Subtotal			107.01	16.61	69.61	9.99	57.76	8.12	66.46	9.00	92.03	12.36
	Total			168.46	26.14	124.14	17.81	123.13	17.2921	140.17	18.9793	170.45	22.90

Source:DGCI&S

# HANDLOOM EXPORTS - TOP 3

## Handloom Export to Spain

S.#	Category	HS Code	Products	2017-18		2018-19		2019-20		2020-21		2021-22	
				INR (Crore)	US \$ (Million)	INR (Crore)	US \$ (Million)	INR (Crore)	US \$ (Million)	INR (Crore)	US \$ (Million)	INR (Crore)	US \$ (Million)
1		50079010	Other Woven Fabrics Of Handloom	1.27	0.20	0.89	0.13	0.80	0.11	0.25	0.03	0.55	0.07
2		51129050	Othr Wovne Fabrics Of Comd Wool Or Comd Fine Anml Hair Of Handloom	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3		52084121	Sarees Of Handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4		52084921	Real Madras Handkerchiefs Of Handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5		52085920	Sarees Of Handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6		52091111	Dhoti,Handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7		52091112	Saree,Handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8		52091113	casement of handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9		52091114	Sheeting (Takia, Leopard Cloth and Other than Furnishing ), Handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10		52091119	Other Fabrics,Handloom	0.16	0.02	0.12	0.02	0.06	0.01	0.01	0.00	0.12	0.02
11		52095111	Lungis Of Handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12	Fabrics	58021950	Terry Towelling And Smir Terry Fbrcs, Handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Subtotal			1.43	0.22	1.01	0.14	0.86	0.12	0.27	0.04	0.68	0.09
13		57024230	Carpets, Rugs And Mats Of Handloom	1.08	0.17	0.17	0.02	1.04	0.15	1.17	0.16	0.79	0.11
			Cotton Durries Of Handloom (Including Chindi Durries, Cotton Chemille Durries, Rag	2.75	0.43	1.78	0.26	1.38	0.19	1.86	0.25	2.77	0.37
14	Floor	57050024	Rug Durrie Printed Durries, Druggets)	11.97	1.86	18.03	2.58	13.97	1.96	10.01	1.36	11.44	1.53
15	Coverings	57050042	Mats And Mattings Including Bath Mats, Where Cotton Predominates By Weight, Of Handloom, Cotton Rugs Of Handloom	15.80	2.45	19.98	2.86	16.39	2.30	13.04	1.77	14.99	2.01
	Subtotal			0.08	0.01	1.37	0.19	2.01	0.28	1.68	0.23	0.77	0.10
16	Clothing	62141030	Scarves Of Silk, Handloom	0.35	0.05	0.44	0.06	0.31	0.04	0.00	0.00	0.00	0.00
17	Accessories	62160020	Gloves , Mitters And Mitts Of Handloom	0.43	0.07	1.81	0.26	2.32	0.33	1.68	0.23	0.77	0.10
	Subtotal			1.33	0.20	4.26	0.61	3.04	0.40	1.94	0.26	11.13	1.48
18		63022110	Other Bed Linen, Printed: Of Cotton, Handloom	0.22	0.03	0.40	0.06	0.45	0.06	0.07	0.01	0.12	0.02
19		63025110	Other Table Linen: Of Cotton, Handloom										
			Toilet Linen And Kitchen Linen, Of Terry Towelling Or Similar Terry Fabrics, Of Cotton, Handloom	3.72	0.58	2.81	0.41	2.45	0.34	0.42	0.06	0.67	0.09
20		63026010											
21		63029110	Other Bed Linen, Table Lenen, Toilet Linen, Kitchen Linen: Of Cotton, Handloom	2.09	0.32	4.17	0.60	1.64	0.23	1.10	0.15	1.32	0.18
22		63041940	Bed Sheets And Bed Covers Of Cotton, Handloom	97.80	15.19	126.23	18.09	192.58	27.05	43.41	5.87	43.09	5.80
23		63049211	Counterpanes Of Handloom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.06	0.01
24		63049221	Napkins Of Handloom	1.08	0.17	0.98	0.14	0.60	0.09	0.39	0.05	1.60	0.22
25		63049231	Pillow Cases And Pillow Slips Of Handloom	0.01	0.00	0.15	0.02	0.86	0.12	0.59	0.08	0.09	0.01
26		63049241	Table Cloth And Table Covers Of Handloom	3.62	0.56	2.36	0.34	2.92	0.41	1.52	0.20	2.43	0.33
27		63049281	Cushion Covers Of Handloom	3.21	0.50	5.23	0.75	5.70	0.80	3.33	0.45	5.58	0.75
28		63049291	Other Furnishing Articles Of Handloom	5.01	0.78	4.76	0.68	8.01	1.12	6.61	0.90	21.14	2.83
29		63049991	Other Furnishing Articles Of Silk: Handloom	0.00	0.00	0.00	0.00	0.03	0.00	0.00	0.00	0.00	0.00
30		63049992	Other Furnishing Articles Of Wool: Handloom	0.60	0.09	0.01	0.00	0.21	0.03	0.09	0.01	0.00	0.00
31	Madeups	63071030	Floor Cloth And The Like Of Cotton, Handloom	0.30	0.05	1.50	0.21	0.25	0.04	0.04	0.01	0.00	0.00
	Subtotal			119.00	18.48	152.86	21.91	218.74	30.69	59.52	8.05	87.23	11.71
	Total			136.65	21.21	175.66	25.18	238.303	33.4395	74.5038	10.0808	103.67	13.91

Source: DGCI&S (To be Continued)

### Rupee settlement may bring annual savings of \$36 billion in hard currency

**Synopsis** - The mechanism, which can be kicked off without delay with Russia, may be favourable for Indian government bonds as well. The surplus balance held in a special vostro account to be opened under the rupee payment mechanism can be used for investing in the local capital market by entities based in India's trading partners under the bespoke mode. The launch of international trade in Indian rupees could lead to annual savings of \$30-36 billion in hard currency and widen the scope for such trades with countries in the region, easing pressure on the exchange rate, experts told ET. The mechanism, which can be kicked off without delay with Russia, may be favourable for Indian government bonds as well. The surplus balance held in a special vostro account to be opened under the rupee payment mechanism can be used for investing in the local capital market by entities based in India's trading partners under the bespoke model. "When a country faces a record high current account deficit, such rupee-denominated trades with select countries save dollar outflows on account of imports," said NSE 0.14 % chief economist Madan Sabnavis. **'Need to Expand Currency Basket'** - "The move should also bring in rupee investments in local asset classes, including bonds and equities," Sabnavis added. A vostro account is one held by a bank on behalf of another. India's imports to Russia amounted to about \$2.5 billion each in April and May - \$30 billion on an annual basis. Some analysts expect this to swell to a monthly average of \$3 billion over the fiscal year, or \$36 billion in all. "This can potentially reduce India's hard currency outflows to the extent of \$3 billion per month now while providing

Russia with INR currency reserves to be deployed in India and provide welcome demand for India bonds," said B Prasanna, NSE 0.22 % 's head of global markets. Apart from that, the window opens up the possibility for countries such as Russia, Iran or even Sri Lanka to engage with New Delhi while they either face global economic sanctions or need financial aid. "Internationalising the rupee requires expansion of the basket of key currencies to seven or eight including our local unit from five currently," Sabnavis said. The currencies that form the majority of the world's forex reserves include the dollar, euro, renminbi and pound. The dollar remains the world's top reserve currency but its dominance has eroded to some extent. The greenback accounted for just under 60% of allocated reserves at the end of the first quarter of the 2022 calendar year, down from 65% in the same period in 2016, the FT reported, citing IMF data over a week ago. India's trade deficit, or excess of imports over exports, swelled to a record \$25.63 billion in June, driven by imports of petroleum, coal and gold. Exports were muted, causing the gap to widen. "If the bulk of India-Russia trade comes under this INR settlement route, the net trade (Russia's surplus and India's deficit) will remain as INR balances of Russian banks with India's banking system, to be invested in Indian assets such as government securities," said Ananth Narayan, associate professor at the SP Jain Institute of Management and Research. Net trade was at \$4.78 billion in the first two months of FY23 as India's imports from Russia in April and May added up to \$5.04 billion, according to Bank of Baroda Economic Research data. This is a significant jump, compared with \$10 billion for the whole of Fy22.

**Source :** THE ECONOMIC TIMES

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### Commerce ministry looking to release new FTP before September: Official

Under the scheme, the aim is to initially focus on 50 districts which have products that are scalable and hold huge export potential. The commerce ministry is working to release the new five-year foreign trade policy (FTP) before September this year and Districts as Export Hubs scheme would be part of that document, which aims at promoting exports and job creation, an official said. The directorate general of foreign trade (DGFT), the commerce ministry's arm which is formulating the policy, will soon send the proposal to the finance ministry for seeking funds for the scheme. Under the scheme, the aim is to initially focus on 50 districts which have products that are scalable and hold huge export potential, the official said. The DGFT would follow a "challenge route" method to select these districts, the official said adding states and districts that want to avail the financial incentives under the scheme should compete for that. There are 750 districts in the country. "It will be a kind of competition among states and districts. We will come out with detailed guidelines for that. The scheme will find a place in the FTP. It will be a centrally-sponsored scheme, where 60 per cent of the total cost will

be borne by the Centre, and the remaining by states. We are trying to release the new FTP before September," the official added. According to a document of the commerce ministry, states need to be engaged actively in the export promotion activities as exports cannot be exponentially increased without their active involvement. Districts as Export Hubs scheme aims to target export promotion, manufacturing and employment generation at grassroot level. The current foreign trade policy (2015-20) is in force till September 2022. On March 31, 2020, the government had extended this policy for one year till March 31, 2021 due to the COVID-19 outbreak and the lockdown. It was again extended till September this year. In the policy, the government announces support measures for both goods and services exporters. In 2021-22, the country's merchandise exports touched USD 420 billion and services exports aggregated at USD 254.4 billion. The government is looking at USD one trillion exports of goods and services each by 2030. To push the outbound shipments, India is aggressively negotiating free trade agreements with several countries and regions including Canada, the UK, European Union and Israel. India has implemented a trade pact with the UAE in May and has signed one with Australia.

Source : THE ECONOMIC TIMES

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### Chinese textile industry suffers profit erosion, orders flow to Vietnam, India

**Synopsis** - The report revealed that since the onset of 2020, the textile industry has been experiencing massive losses as the industry is unable to raise product prices due to the pandemic. Due to the shrinkage of global markets and subsequent fall in demand, Chinese Textile Industries suffered profit erosion throughout the pandemic period and will continue to bear the loss due to rising raw material prices, read a report by First Finance and Economics Daily of China. The report revealed that since the onset of 2020, the

textile industry has been experiencing massive losses as the industry is unable to raise product prices due to the pandemic. Moreover, orders are 40 per cent lower than last year, the report added. According to the estimate of the China Chamber of Commerce for Import and Export of Textiles, the scale of China's textile and apparel order transfer was about 6 billion US dollars in the first half of 2020, of which the cotton textile order transfer scale was about 1 billion US dollars. Twenty-six per cent of companies underlined that the proportion of outbound customer orders was more than 30 per cent, and 39 per cent of companies said that the proportion of outbound customer orders was

## News Bites

between 10 per cent and 30 per cent, the report by First Finance and Economics Daily of China stated. Meanwhile, more than 90 per cent of the enterprises said that the current order schedule has been shortened compared with the second half and fourth quarter of last year and almost 59 per cent of the companies' orders are scheduled for 13 months. As per the import and export data, the growth rate of China's apparel and home textile products showcased a relatively obvious slowdown trend as the Industry insiders revealed that this year most garment factories' orders will be completed by September. Due to industrial transformation and upgrading, changes in the layout of the industrial chain, and the impact of tariffs imposed by the United States on China, there was an outflow of Chinese export orders before the outbreak of the COVID epidemic, however, the production continued only till November. According to data from the US Department of Commerce, China's share of US cotton textile

and apparel imports in 2021 dropped from 23.5 per cent in 2019 to 17.1 per cent, and its share of cotton apparel imports dropped from first place in 2019 to second place, and Vietnam became the second major supplier. China's share of US cotton textile and apparel imports slipped to 15.3 per cent, which has been surpassed by Vietnam, Bangladesh followed by India. In fact, the main reason for the poor market was the lack of demand as the consumer market was frozen due to epidemic prevention and control and the shrinkage of foreign markets. Cotton textile orders are mainly transferred to India, and clothing orders are mainly transferred to countries such as Bangladesh, Vietnam, India, Indonesia, and Cambodia. The China Chamber of Commerce for Import and Export of Textiles recently conducted a survey on enterprises, and 85 per cent of the enterprises indicated that the outward migration of customer orders was obvious, the report read.

Source : THE ECONOMIC TIMES

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### China's share in India's total imports falls to 15.4% in FY22: Report

**The share of Chinese imports in the country's total inbound shipments has declined to 15.4 per cent in 2021-22 from 16.5 per cent in 2020-21, sources said on Thursday.** The share of Chinese imports in the country's total inbound shipments has declined to 15.4 per cent in 2021-22 from 16.5 per cent in 2020-21, sources said on Thursday. They also said the major items imported from China into India are used for meeting the demand of sectors like telecom and power. Citing some examples, they said imports like Active Pharmaceutical Ingredients (APIs) and drug formulations provide Indian pharma industry raw material for producing finished goods which are also exported. Increase in imports of information and communication technology products and medical and scientific instruments can be attributed to the surge in demand of these products during COVID-19

times. "Moreover, the rising prices of commodities globally have also played a significant role in adding to import value," one of the sources said. Exports to China increased marginally to USD 21.25 billion last fiscal from USD 21.18 billion in 2020-21, while imports rose to USD 94.16 billion from about USD 65.21 billion in 2020-21. India's exports to China at USD 21.2 billion in 2021-22 were its third highest, after the US and UAE. Exports to the neighbouring country stood at USD 11.9 billion in 2014-15. Further, sources stated that imports of mobile phones from China dropped by 55 per cent to USD 626 million in 2021-22, from USD 1.4 billion in 2020-21. "Technical regulations have been framed for several products for maintenance of standards/quality of imported products. This will check import of sub-standard products from any country, including China," a source said

Source :  
Business Standard

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## News Bites

### US Fashion brand Gap returns to India, signs deal with Reliance Retail.

**Reliance Retail will be the official retailer for Gap in India, mixing exclusive stores and digital commerce platforms.** Founded in San Francisco in 1969, Gap continues to build on its heritage grounded in denim and connect with customers online and in company-operated and franchise retail locations globally. Reliance Retail has entered into a franchise agreement with Gap Inc to bring the American fashion brand to India. Gap will return to India the second time after parting ways with Arvind Fashions in 2020. Reliance Retail will be the official retailer for the fashion house in India, mixing exclusive stores and digital commerce platforms. “The partnership is aimed at leveraging Gap’s position as a leading casual lifestyle brand, and Reliance Retail’s established competencies in operating robust omni channel retail networks and scaling local manufacturing and driving sourcing efficiencies,” Reliance Retail said in a press release about the long-term agreement. “At Reliance Retail, we pride ourselves in bringing the latest and best to our customers and we are happy to announce the addition of iconic American brand, Gap to our fashion and lifestyle portfolio. We believe that Reliance and Gap complement each other in their vision to bring industry-leading fashion products and retail experiences to their consumers,” said Akhilesh Prasad, CEO, fashion & lifestyle at Reliance Retail said in the release. Adrienne Gernand, managing director of international, global licensing and wholesale at Gap Inc, said that the company looks forward to growing the Gap business across key international markets. “Partnering with regional experts, like Reliance

Retail in India, allows us to deliver our relevant, purposedriven brand to customers around the globe while continuing to diversify our business portfolio through our partner-based model,” said Gernand. Reliance Retail is a subsidiary of Reliance Retail Ventures (RRVL), which is the holding company of all retail companies under the Reliance group. RRVL reported a consolidated turnover of Rs 199,704 crore and a net profit of Rs 7,055 crore for Fy22. Gap first came to India in 2014 through a franchisee agreement with Arvind Fashions and exited six years later.

### Second Coming

- Founded in San Francisco in 1969, Gap is considered as an authority on modern American style
- Gap’s previous attempt to woo Indian customers turned sour after it terminated a deal with an Arvind Fashions unit in 2020
- For Gap, whose brands include Old Navy and Banana Republic, the partnership with Reliance comes as clothing retailers struggle with weak demand in the face of surging inflation
- For Reliance, the deal comes days after announcing a plan to open outlets of popular British sandwich and coffee chain Pret A Manger in India
- Reliance has hundreds of retail stores spanning electronics, groceries and fashion in India, and is also expanding into e-commerce

**Source :** Business Standard

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