TEXPROCIL
THE COTTON TEXTILES EXPORT PROMOTION COUNCIL

NEWSLETTER

Indian Cottons, Global Reach!

Volume VIII. Issue No. 3 | December 18, 2024

A Fortnightly Publication of THE COTTON TEXTILES EXPORT PROMOTION COUNCIL OF INDIA

TEXPROCIL @ MEETING WITH SHRI GIRIRAJ SINGH, HON'BLE MINISTER OF TEXTILES, GOVT. OF INDIA

Shri Vijay Agarwal, Chairman Texprocil, Shri Sunil Patwari Immediate Past Chairman Texprocil and Dr. Siddhartha Rajagopal, Executive Director, met Shri Giriraj Singh, Hon'ble Minister of Textiles on 16th December, 2024 and presented him the special souvenir brought out to commemorate the Council's 70 years Jubilee Celebrations.

HIGHLIGHTS OF THIS ISSUE

THINK COTTON, THINK INDIA!

वस्त्र मंत्रालय
MINISTRY OF
TEXTILES

सत्यमेव जयते

भा.क.नि.
CCI

TEXPROCIL
THE COTTON TEXTILES EXPORT PROMOTION COUNCIL

TRULY GLOBAL. PROUDLY INDIAN.

KASTURI COTTON
BHARAT

THE SPIRITUAL FIBRE
SOFTER · STRONGER · PURER

THE MAKING OF
A WORLD MARK!

Kasturi Cotton marks the new standard in cotton quality. It's the mark that superior cotton will bear from now on! It will be cotton that reflects the elevated and enlightened spirit of India, benefitting all stakeholders – farmers, ginners, spinners, manufacturers, and brands.

Contents

TEXPROCIL E-NEWSLETTER

ADVERTISEMENTS / FEEDBACK:
mrunal@texprocil.org
rajesh@texprocil.org

EDITORIAL & PUBLISHING OFFICE:

The Cotton Textiles Export Promotion Council [TEXPROCIL]
(Sponsored by Government of India)
Engineering Centre, 5th floor,
9, Mathew Road, Mumbai 400004.
Tel.: +91 22 49444000 / 23632910-12
Fax: +91 22 23632914
Email: info@texprocil.org
Website: www.texprocil.org

TEXPROCIL - THE FACILITATOR

Kasturi Cotton Standard:

Parameter	Criteria	
Staple length/UHML	30 mm+	29 mm+
Micronaire value	3.7 to 4.5	3.7 to 4.5
RD value	76+	76+
Fibre strength	30.5 (±1.5) g/tex	29.5 (±1.5) g/tex
Uniformity index	84% or more	83% or more
Trash	2% or below	2% or below
Moisture content	8% or below	8% or below

Kasturi Cotton Standards will be implemented with the following processes:

» Audit & Inspection » Sampling & Testing » Certification » Branding

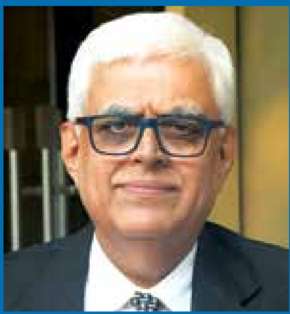
Kasturi Cotton is an initiative of the Ministry of Textiles, Government of India, Trade Bodies and Industry. The branding, traceability and certification of Kasturi Cotton is implemented The Cotton Textiles Export Promotion Council (TEXPROCIL), in association with the Cotton Corporation of India (CCI).

Kasturi Cotton Traceability with Blockchain Technology

Ensuring Supply Chain traceability using blockchain platform at every stage of supply chain using QR code.

The image shown here is for illustration purpose only and may not be an exact representation.

Editorial



Dr. Siddhartha Rajagopal
Executive Director
TEXPROCIL

Dear Reader,

Global trade in goods is projected to sustain a steady growth trajectory through the fourth quarter of 2024, according to a recent report from the World Trade Organization (WTO). However, the outlook for 2025 remains uncertain due to rising economic instability and potential shifts in trade policies, particularly in the United States.

The United Nations Conference on Trade and Development (UNCTAD) has also echoed this sentiment in its latest Global Trade Update, highlighting that the trade outlook for 2025 is clouded by anticipated policy changes in the U.S. These changes may include broader tariffs that could disrupt global value chains and impact key trading partners. Notably, proposals have already been mooted for a 25% tariff on goods from Canada and Mexico, along with an additional 10% tariff on imports from China.

Such measures are expected to significantly influence global trade dynamics and create ripple effects throughout international supply chains.

In addition to these developments, the recent Global Sourcing Expo held in Melbourne, Australia from November 19-21, 2024, included significant Indian participation with over 200 exhibitors, including TEXPROCIL Members, showcasing their choicest products made in India.

H.E. Dr. Sushil Kumar, Hon'ble Consul General at the Consulate General of India in Melbourne inaugurated the Indian Pavilion, in the presence of officials of Export Promotion Councils including TEXPROCIL participating in the fair.

On the first day of the fair, Hon'ble Consul General engaged with exhibitors to discuss enhancing business ties between India and Australia and exploring new product showcases for future events. He also held discussions with the visiting delegation from India on how to increase the business between India and Australia. A report on the Council's participation in the Global Sourcing Expo, held at Melbourne, Australia is presented in the 'Trade Facilitation' column of this issue.

Looking ahead, Bharat Tex 2025, a flagship event highlighting the textile value chain in India, is scheduled for February 14-17, 2025. The event has garnered enthusiastic responses, with most exhibition spaces fully booked. The focus in the next few months will be on attracting international buyers to witness India's textile industry prowess.

On its part, TEXPROCIL along with other Textile EPCs continued to vigorously promote events at the Roadshows held in Mumbai, Ludhiana and Indore. The 'Trade Promotion' column of this issue offers a brief coverage of these Roadshows.

During this event, TEXPROCIL will also present collections of Kasturi Cotton, featuring various categories such as Cotton Home, Cotton Garment, Cotton Soft, Cotton Comfort, and Cotton Luxe, for which Member companies are being encouraged to offer their choicest collections.

The 'Policy Talks' section of this Newsletter presents the recent changes in policy and procedures announced by the government and various provisions of the Foreign Trade Policy, incentive schemes, and issues of taxation.

We do hope that you find reading this edition of the E-Newsletter worthwhile.

We welcome your valuable feedback on the present edition and also invite contributions in the form of short articles on matters relevant to trade and industry.

TEXPROCIL E-Newsletter values your comments and contributions and looks forward to receiving continuous support for the various activities of the Council.

:: TEXPROCIL ::

TEXPROCIL - The International face of Indian Cotton textiles !

For representing Procedural / Policy issues with various Govt. Authorities and Redressal of Complaints / Trade Disputes against Buyers/ Suppliers with Indian Missions Abroad/ Foreign Missions in India, you may kindly write to us at sybil@texprocil.org and annie@texprocil.org

Chairman's Page

Vijay Agarwal
Chairman
TEXPROCIL

Dear Friends,

As we draw towards the close of the 3rd quarter of FY2025, the ongoing trends signal a resilient and adaptable landscape for businesses, including the textiles sector which has been actively responding to both challenges and opportunities.

The Union Textile Ministry is in the process of creating a new comprehensive roadmap which, on one hand, aims to focus on dealing a wide range of existing issues hampering growth and, on the other hand, it looks to chart out an action plan to achieve the targeted growth strategies in a more inclusive manner across the value chain.

The need of the hour is to help the domestic textiles and apparel sector to transition adequately to align with the global challenges and requirements. The strategic priority will be to address the need for building up capacities that can live up to the ever-evolving demand of the world market.

Meetings with Ministry Departments

VC with Commerce Secretary

The Council attended a VC Meeting on "Textile sector issues and Export strategies" under the chairmanship of Shri Sunil Barthwal, Commerce Secretary on 3rd December 2024 to discuss textile sector issues and strategies in top 20 focus countries. Shri Santosh Kumar Sarangi, Additional Secretary, Department of Commerce & Director General DGFT was also present in the meeting.

The Ministry of Commerce and Industry has drawn up a list of 20 countries to focus on growing India's exports of textiles and apparel including Australia, Bangladesh, Brazil, China, France, Germany, Indonesia, Italy, Japan, Korea, Netherland, Russia, Saudi Arabia, Singapore, South Africa, Turkey, United Arab Emirates, United Kingdom, United States of America and Vietnam.

As concerns the cotton textiles sector, the Council pointed that India's exports of Cotton textiles are in line with the target for as many as 11 of the 20 countries of significance identified by the Ministry of Commerce. The data on the cotton textile exports during Apr-Oct 2024, shows that the exports are facing a shortfall against the target in 9 countries. Major shortfalls have been observed in China; South Korea; Turkey; Saudi Arabia; and Singapore. However, the shortfall in China was the most significant during the period.

While China has reduced its overall imports of cotton yarn this year, it is preferring to source cotton yarn from Vietnam and Indonesia on account of lower costs, reduced transit time and investments by China in these countries. An additional attraction for Chinese buyers is the ability to import cotton yarn at zero duty from Vietnam, Indonesia and Pakistan. To overcome the shortfall in India's cotton textile exports to China, the Council also requested for continuing support under the MAI Scheme for Indian participation in the Yarn Expo Fair being held in China during August and March every year. Such initiatives will boost India's exports and help the country to achieve a favorable trade balance.

Discussing the major reasons for the shortfall in export target, the Council also raised issues facing the cotton textiles sector. The volatility in cotton prices were highlighted as Indian cotton yarn was uncompetitive compared to the

other competing nations. In addition, the Banking and LC payment issues in Bangladesh was also flagged with the Commerce Secretary as Bangladesh is a good market for cotton textiles.

VC with Textile Commissioner

The Council attended the First Meeting of Stakeholders for the Cotton Season 2024-2025 held in the video conferencing mode on 28.11.2024 under the aegis of Committee on Cotton Production and Consumption. Chaired by Smt. Roop Rashi, Textile Commissioner, the meeting compared the data on state-wise area and production, pricing trends, import, export and consumption of Indian cotton.

At the meeting, the stakeholders deliberated on issues related to increasing productivity of cotton, and took note of status on organic cotton, progress on modernization of Ginning and Pressing factories, availability of certified / quality seeds of cotton and related issues.

Following the meeting, suggestions were invited from the stakeholders on fibre-based strategies to supplement cotton availability. The Council has submitted its suggestions on the impact of the reduced cotton sowing area, and interventions being planned to mitigate the issues arising out of declining cotton production on the export targets planned for the current fiscal.

Trade Data

India's textile and apparel exports continued to witness growth. As per the Quick Estimates released by the Ministry of Commerce and Industry, India's exports of textiles and apparel increased by 5.81% to USD 2.61 billion in November 2024 from USD 2.47 billion in November 2023. Apparel, as the star performing category, witnessed a growth of 9.81% during the month. Exports of Cotton Yarn, Fabrics and Home Textiles (made-ups), etc., under the purview of the Council, recorded a growth of 2.02% during the month of November 2024 as compared to the same month last year.

The growth of T&A exports from India can be attributed to multiple factors, including the increased market share of Indian T&A exports in the USA, as well as supportive government initiatives like the extension of the Remission of Duties and Taxes on Export Products (RoDTEP) and Interest Equalization Scheme (IES). Further, the sector's collective commitment to quality, innovation, and sustainable practices, has helped a lot in positioning India as a preferred sourcing destination worldwide.

As we enter the last quarter of the current fiscal 2024-25, I urge all our member exporters to make sincere efforts to boost their exports so as to achieve the export target of USD 12.5 billion in cotton textile exports by the end of this financial year.

Demand Revival

The ongoing trends suggest that the overall textiles and apparel demand in FY2025 is set to revive, on the back of positive trends seen in the US retail sector. The hopeful period follows a tepid performance in FY2024 where exports were affected because of high retail inventory, sluggish demand from key textile destinations, supply chain issues (including the two wars and the Red Sea crisis) and heightened competition from neighbouring countries.

While headwinds persist in certain textile destinations because of geopolitical tensions and macroeconomic slowdown, a gradual recovery in exports from India is expected during the current year on account of de-risking strategies adopted by certain customers and replenishment orders received from a few emerging markets.

Bharat Tex 2025

The largest and the most comprehensive textiles event ever, Bharat Tex 2025 is a unique effort to bring the entire value chain of textiles under one roof. The ongoing effort to mobilize participation by organizing Roadshows at various national and international destinations has elicited a very encouraging response with almost all the exhibit space planned getting booked. The focus now is on inviting global opinion makers, international investors, and global buyers to participate in the fair.

The Ministry of Textiles had earlier held an interactive session with Foreign Missions in India for Bharat Tex 2025 which saw participation from over 30 Foreign Missions in India. Under guidance of the Ministry of Textiles, the consortium of Indian textile EPCs - the organizers of the event continue to implement the Buyer Promotion Programme for Bharat Tex 2025 scheduled to be held from February 14 to 17, 2025.

Way Forward

Friends, in recent years, the cotton-based textile industry has witnessed a dynamic landscape, marked by both opportunities and challenges. Lack of scale and absence of right product mix has been playing a spoilsport for the textile industry. The government on its part is taking efforts to build robust textiles and apparel manufacturing facilities, along with focusing on leveraging innovation to make our offerings more competitive and sustainable. The textile industry and sector require to practice resilience in meeting the challenges and make best use of the window of opportunities to enhance productivity gains in the near future.

:: TEXPROCIL ::

Trade Facilitation

Global Sourcing Expo at Melbourne, Australia

TEXPROCIL participated and organized India Pavilion at Global Sourcing Expo - a show of Home Textiles, Leather products, Garments and Accessories – from 19th to 21st November 2024 at Melbourne, Australia. The show had a total of 953 exhibitors. Over 200+ Indian companies participated at the show: 13 participants from TEXPROCIL, CEPC 15, WWEPC 27, HEPC 15, AEPC 50, FIEO 50, Tamil Nadu State Pavillion 15, and SRTEPC 20.

H.E. Consul General of India in Melbourne, Dr. Sushil Kumar officially inaugurated the Indian Pavilion of the TEXPROCIL and stalls of other participating businesses from India on the first day of the expo. The Consulate General of India hosted a reception Lunch in honour of the visiting Delegation from India at his residence in Melbourne and discussed how to increase the business between Indian and Australia and what other new products to show case in future.

Minister for Handlooms & Textile Govt. of Tamil Nadu Mr. R. Gandhi also came to see the show with Tamil Nadu State Pavilion. All the above dignitaries were later joined by Mr. Ajay Bhai Amrit, High Commissioner to Australia from Fiji, at the Bharat Tex 2025 Road show.

All the Councils promoted Bharat Tex 2025, in the seminar organised by the Organiser in the show and talked about the future prospects and about the Indian Domestic market as well that how big is the market. The Council also distrubeted Bharat Tex catalogue to the buyers and visitors inviting them to visit Bharat Tex.

H.E. Consul General of India in Melbourne, Dr. Sushil Kumar, inaugurating the Indian Pavilion at Global Sourcing Expo at Melbourne, Australia, and interacting with exhibitors

Global Sourcing Expo at Melbourne, Australia

Details of Current Edition of the Fair

Exhibit Profile	–	Home Textiles, Leather products, Garments and Accessories
Total Visitors	–	7719 in 3 days
Total Exhibitors	–	953
Total Indian Companies	–	204
Total Countries participated	–	9
Exhibitors from China	–	445

Attendee Geographic Profile

Victoria	80.0%	Overseas Buyers	5.2%
New South Wales	10.4 %	Western Australia	2%
Queensland	5.5%	Tasmanian	2%
South Australia	1.5%	TAS	1%

Type of Businesses Attendee

- Designer
- Distributor / Wholesaler
- Independent Retailers
- Government Apex Bodies
- Importer, Manufacturers, Retail Chains
- Departmental Store

TRADE in T&A

- Textiles and apparel: India exported $520 million worth of textile and apparel products to Australia in 2023-24, The export basket of India mainly consisted of home textile products and apparel products. From which women fashion is $129 million, Men fashion $33 Million on the other hand China ration for men and women fashion is 50%, whereases there is a vast gap and opportunity for the India Men's category
- Bed Linen is $106million, curtains $1.87 million, Furnishings $ 15.27 million, Sails, tarpaulins, awnings, tents $1.62million. Indian textiles exports to Australia have almost doubled in the last 4 years on the back of covid and China is playing hard ball with Australia, Bangladesh is $200million ahead of India.
- Cotton is one of the most important commercial crops cultivated in India and accounts for around 25% of the total global cotton production. It plays a major role in sustaining the livelihood of an estimated 6 million cotton farmers and 40-50 million people engaged in related activities such as cotton processing & trade. Due to its economic importance in India, it is also termed as "White-Gold".

Conclusion

The current edition of the Global Sourcing Expo in Melbourne turned out to be an eye opener for the Australian opportunities for Cotton textiles and other garments, with a few useful takeaways.

:: TEXPROCIL ::

Trade Promotion

Roadshow to promote Bharat Tex 2025

Roadshow to promote Bharat Tex 2025 in Ludhiana

On 7th November, 2024, WWEPC, along with TEXPROCIL, AEPC, and PDEXCIL as supporting Councils, successfully organized Bharat Tex 2025 Roadshow in Ludhiana, Punjab. The event brought together over 150 prominent stakeholders from across the region's textile value chain, marking a key step toward the upcoming Bharat Tex 2025.

Dignitaries holding a Q&A session at the Bharat Tex 2025 Roadshow in Ludhiana

Smt. Prajakta Verma, Joint Secretary, Ministry of Textiles, meeting the participants

Dr. Romesh Khajuria, Chairman, WWEPC, opened the event with a welcome address. Smt. Prajakta Verma, Joint Secretary, Ministry of Textiles, Govt. of India, delivered the keynote address. Dr. Siddharth Rajagopal, ED, TEXPROCIL, presented a comprehensive overview of Bharat Tex 2025, explaining the event's scope, objectives, and planned activities.

The roadshow laid a solid foundation for Bharat Tex 2025, setting the stage for enthusiastic participation and strong backing from textile leaders in Ludhiana and Amritsar.

Roadshow to promote Bharat Tex 2025 in Mumbai

On 8th November 2024, MATEXIL organised Bharat Tex 2025 Roadshow at Hotel Sofitel, BKC, Mumbai, Maharashtra. Ms. Roop Rashi, Textile Commissioner, Chief Guest of the function, mentioned that the collaborative spirit of the industry shall drive 'Bharat Tex' to the next level and make it a one-stop shop for all things textile.


Lighting of the lamp by dignitaries at the Bharat Tex 2025 Roadshow in Mumbai


Dr. Siddhartha Rajagopal, ED TEXPROCIL addressing the audience about "Kasturi Cotton"

During the roadshow, Dr. Siddharth Rajagopal, ED TEXPROCIL, made a presentation and informed the gathering about "Kasturi Cotton", laying stress on the administration's serious intent of branding and getting Indian cotton a more respectable position and recognition it deserves in the global market.

Roadshow to promote Bharat Tex 2025 in Indore

On 16th November 2024, TEXPROCIL, as the lead Council, along with HEPC supporting Council, successfully organized Bharat Tex 2025 Roadshow in Indore, Madhya Pradesh. The event brought together over 60 prominent stakeholders from across the region's textile value chain, marking a key step toward the upcoming Bharat Tex 2025.

Shri Shreyaskar Chaudhary, Chairman, MP Textile Mills Association and Managing Director, Pratibha Syntex along with Shri Subhash Jain, Past CoA Member TEXPROCIL and Director, Prem Textiles welcomed all to the Roadshow.

Roadshow to promote Bharat Tex 2025

Trade Promotion

Dr. M. Beena, Development Commissioner (Handlooms), Ministry of Textiles, Govt. of India, delivered the keynote address. Shri Rajesh Satam, Joint Director, TEXPROCIL, presented a comprehensive overview of Bharat Tex 2025, explaining the event's scope, objectives and planned activities. Dr. M. Sunder of HEPC delivered the vote of thanks and urged the textile companies in MP region to participate in BharatTex 2025.

Lighting of the lamp by dignitaries at the Bharat Tex 2025 Roadshow in Indore

Dr. M. Beena, Development Commissioner (Handlooms), presiding over the Roadshow

Kasturi Cotton invites Industry to showcase collections at Bharat Tex 2025

Kasturi Cotton, renowned as the finest Indian cotton, is pleased to announce a unique opportunity for textile industry participants to showcase their creations at Bharat Tex 2025, the premier event for the textile industry, scheduled from 14th to 17th February 2025. The event promises to bring together international brands and buying houses, presenting an exceptional opportunity for manufacturers and designers to connect with key stakeholders in the global textile market.

Kasturi Cotton has already generated a positive response from international brands and buying houses and is now seeking to further bridge the gap between demand and supply by inviting stakeholders in the textile industry to develop and showcase collections that highlight the superior quality and versatility of Indian cotton.

Collection Lines to be Featured:

- Kasturi Cotton Home – A premium range of home textiles made from the finest Indian cotton, featuring beddings, curtains, upholstery, and home décor items. This collection will emphasize the strength, durability, and luxurious feel of Kasturi Cotton.
- Kasturi Cotton Garment – A sophisticated range of men's and women's garments, elevating personal style with the softness, durability, and luxury of Kasturi Cotton. This collection is designed to bring comfort and elegance to everyday wear.
- Kasturi Cotton Soft – A vibrant, comfortable, and durable collection designed for infants, kids, and teens, offering an array of colorful, playful apparels made from the finest cotton for ultimate comfort.
- Kasturi Cotton Comfort – A versatile collection featuring absorbent, stretchable, and durable fabrics perfect for T-shirts, loungewear, and innerwear. Textured for maximum comfort, this line promises both functionality and style.
- Kasturi Cotton Luxe – A high-end collection desired by global brands. This premium range features top-quality fabric with exclusive designer pieces, crafted to meet the highest international standards and stringent specifications.

Benefits for Participants:

By participating in this exciting opportunity, collection creators will have their works showcased both at the Kasturi Cotton booth and at their individual booths during the event. In addition, Kasturi Cotton will provide a comprehensive kit to all buyers attending Bharat Tex 2025, which will include detailed information about the collections and the contact information of the collection creators. This will enable direct interactions between buyers and creators, facilitating meaningful business opportunities and collaborations.

How to Participate:

Kasturi Cotton is calling on registered textile stakeholders interested in participating in this initiative to connect with them for more details. This is an unparalleled opportunity for textile manufacturers and designers to present their work on a global stage and engage with top international brands and buyers at Bharat Tex 2025.

Source: fibre2fashion.com

:: TEXPROCIL ::

Trade update

India's Export Statistics of Cotton Textiles (Apr – Sep 2024)

India's Export Statistics of Cotton Textiles							
Product	Unit	in Quantity (Million)		% Growth	in Value (Million USD)		% Growth
		April - September			April - September		
		2023-24	2024-25		2023-24	2024-25	
Fibre	Kgs	195.97	205.83	5.03	393.82	383.86	-2.53
Yarn	Kgs.	609.15	560.95	-7.91	1,932.35	1,765.73	-8.62
Fabrics	Kgs.	30.91	36.19	17.10	175.78	196.77	11.94
	Sqm	1,087.25	1,076.04	-1.03	942.23	923.56	-1.98
					1,118.01	1,120.33	0.21
Made-ups	Kgs.	183.51	191.26	4.22	1,080.25	1,158.56	7.25
	Nos.	549.51	541.04	-1.54	1,126.19	1,154.00	2.47
					2,206.44	2,312.56	4.81
Total (Fibre, Yarn, Fabrics, Madeups)					**5,650.62**	**5,582.48**	**-1.21**

Source of Data: DGCIS, Ministry of Commerce

The above table provides India's export statistics for cotton textiles during April-September for the fiscal years 2023-24 and 2024-25, comparing the performance in terms of both quantity and value. Here's the explanation:

1. Fibre (in kilograms):

   Quantity exported grew by 5.03% (from 195.97 million kg to 205.83 million kg). However, export value decreased by 2.53% (from USD 393.82 million to USD 383.86 million)

2. Yarn (in kilograms):

   Quantity exported declined by 7.91% (from 609.15 million kg to 560.95 million kg). Export value saw a larger decline of 8.62% (from USD 1,932.35 million to USD 1,765.73 million), reflecting reduced demand or lower prices for yarn.

3. Fabrics (in square meters):

   Quantity exported increased by 17.10% (from 30.91 million sqm to 36.19 million sqm). Export value grew by 11.94% (from USD 175.78 million to USD 196.77 million). However, for overall fabric exports (excluding sqm growth) Value showed a minor increase of 0.21% (from USD 1,118.01 million to USD 1,120.33 million), indicating flat performance.

4. Made-ups (measured in kg and numbers):

   In kg: Quantity exported rose by 4.22% (from 183.51 million kg to 191.26 million kg). Export value increased significantly by 7.25% (from USD 1,080.25 million to USD 1,158.56 million). In numbers: Quantity decreased slightly by 1.54% (from 549.51 million to 541.04 million). Despite this, value rose by 2.47% (from USD 1,126.19 million to USD 1,154.00 million).

Overall Performance (Fibre, Yarn, Fabrics, Made-ups)

- Total Quantity exported saw mixed performance, with notable increases in fibre and fabrics.
- Total Value of exports decreased by 1.21% (from USD 5,650.62 million to USD 5,582.48 million), driven by declines in yarn and fibre export value.

Key Insights:

- While fibre and fabrics experienced growth in quantity, they faced challenges in export value
- Yarn export struggled significantly, with declines in both quantity and value.
- Made-ups showed resilience, registering growth in both quantity and value, particularly in kg exports.

Quick Estimates for Textiles & Clothing (Apr-Nov 2024)

Trade update

QUICK ESTIMATES FOR TEXILES & CLOTHING (APRIL – NOVEMBER) 2024						
Exports (Million USD)	**NOV'23**	**NOV'24**	**% Change**	**APR'23-NOV'23**	**APR'24-NOV'24**	**% Change**
Cotton Yarn/Fabs/made-ups, Handloom Products etc	855	872	2.02%	7,732	7,863	1.70%
Man-made Yarn/ Fabs/ made-ups etc.	330	346	4.88%	3,054	3,189	4.42%
RMG of all Textiles	1,021	1,121	9.81%	8,846	9,854	11.39%
Jute Mfg. Floor Covering	25	34	36.11%	234	246	5.17%
Carpet	120	123	2.39%	915	1,015	10.97%
Handicrafts excl. handmade carpet	117	115	-1.67%	1,038	1,165	12.23%
Textiles	1,446	1,489	2.99%	12,973	13,478	3.90%
Apparel	1,021	1,121	9.81%	8,846	9,854	11.39%
Textiles & Apparel	2,467	2,611	5.81%	21,819	23,332	6.93%
All Commodities	33,746	32,115	-4.83%	278,259	284,309	2.17%
% Share of T&C in Total Exports	7.31%	8.13%		7.84%	8.21%	
Imports (Million USD)	**NOV'23**	**NOV'24**	**% Change**	**APR'23-NOV'23**	**APR'24-NOV'24**	**% Change**
Cotton Raw & Waste	31	171	457.76%	469	776	65.31%
Textile yarn Fabric, made-up articles	194	224	15.91%	1,547	1,632	5.48%

Source: DGCIS/MOC

- According to the quick estimates data released by the Ministry of Commerce & Industry, exports of cotton yarn/ fabrics/made-ups, handloom products etc from India grew by 2.02% in November 2024 over November 2023.
- During Apr-Nov'24, Indian cotton yarn/fabrics/made-ups, handloom products registered a growth of 1.70%.
- During November'24, Indian Textiles Exports grew by 2.99% over the previous year and Apparel Exports registered a growth of 9.81% during the same time period.
- Cumulative Exports of Textiles and Apparel during November'24 have registered a growth of 5.81% over November'23.
- During April- November'24, Indian Textiles Exports registered a positive growth of 3.90% over the previous year while Apparel Exports registered a growth of 11.39% during the same time period. Overall T&A registered a growth of 6.93% during Apr-Nov'24.

Trade Update

International News

Exports to EU may fall 20%

Bangladesh's overall exports to the European Union (EU) may fall by as much as 20 percent due to the combined impacts of the nation's graduation from least developed country (LDC) status and the EU Vietnam Free Trade Agreement (EVFTA), according to a study. Mohammad Abdur Razzaque, chairman of Research and Policy Integration for Development (RAPID), presented the study, conducted jointly by the think-tank and German political foundation Friedrich-Ebert-Stiftung, at a seminar in Dhaka today.

"Bangladesh's apparel exports to the EU are projected to decline by 1.8 percent and leather and leather products by 6.5 percent due to trade diversion caused by the EVFTA," Razzaque said.

By 2023, Vietnam's exports to the EU more than doubled Bangladesh's, despite both countries having similar shipments in 2002, he added.

"Vietnam has made significant investments in its garment industry's backward linkages while Bangladesh has yet to implement visible policies, thereby failing to fully capitalise on the opportunity."

The EVFTA, which came into effect in 2020, grants Vietnam significant trade advantages, including zero-duty access to the EU market, replacing its earlier standard Generalised Scheme of Preferences (GSP).

In addition to tariff eliminations, the EVFTA addresses non-tariff barriers, opening the market for services and investment, and aligns Vietnam with the EU's labour and environmental standards, collectively strengthening its competitiveness and investment appeal.

Currently, Bangladesh's exports enjoy duty-free access to the EU under the "Everything but Arms (EBA)" programme. This, alongside relaxed rules of origin, has been instrumental in expanding the country's apparel exports to the EU. But the benefit is only extended to LDCs, meaning Bangladesh may lose the privilege after graduation.

At the same time, while Bangladesh has been lagging in policy implementation, Vietnam has effectively streamlined its business environment and opened up trade and investment, taking timely and strategic policy actions, the study said.

"If Bangladesh wants to remain competitive, especially as global trade rules evolve, it must prioritise investments in backward integration and infrastructure development," Razzaque said.

He added that Bangladesh relies heavily on apparel exports while Vietnam's export basket is more diversified.

Razzaque also said Bangladesh and Vietnam are filling the void of China's declining market share in the global apparel market at a similar pace.

"Bangladesh has captured China's market share in the EU while Vietnam has done so in the US."

Echoing Razzaque, Fazlee Shamim Ehsan, executive president of the Bangladesh Knitwear Manufacturers and Exporters Association, said the total export volume is unlikely to drop after LDC graduation.

However, he hoped that labour-related difficulties in China and Vietnam, along with a rising unwillingness among their workers to regard RMG professions as prestigious, could result in a movement of orders from these nations to Bangladesh.

He also mentioned challenges facing Bangladesh, including the labour unrest, energy deficit and turmoil in the banking sector.

Among others, Policy Exchange Bangladesh Chairman M Masrur Reaz and Economic Relations Division Secretary Md Shahriar Kader Siddiky spoke at the event.

Source: thedailystar.net

Better Cotton Signs Roadmap for Sustainability in Uzbekistan

Better Cotton gave its blessing to a strategic roadmap created with agricultural and textile stakeholders in Uzbekistan to accelerate the country's sustainable cotton production.

The global cotton sustainability initiative held an event in the nation's capital, Tashkent, gathering representatives from government, civil society and fashion supply chains to formalize the agreement.

The roadmap lays out three core objectives: to align a strategic partnership model and define management, finance and implementation responsibilities; to ensure effective cooperation with program partners and stakeholders to promote sustainable cotton farming; and to develop and implement a joint set of measures designed to eliminate barriers to scale.

"This roadmap signals that there is much more to come from Better Cotton in Uzbekistan," said Katerina Gorbunova, country manager of the Better Cotton Uzbekistan Program. "Together with our partners, we can strengthen the foundations of the Uzbekistan program and develop new solutions to ensure long-term success."

The agreement with Uzbekistan's Ministry of Agriculture and the Textile and Garment Industry Association (Uztekstilprom) aims to improve the Better Cotton Uzbekistan Program by leveraging resources to streamline farmer enrollment, strengthen and expand field-level support and increase investment opportunities through grants and government subsidies.

A key initiative of the agreement will be training for the Ministry of Agriculture and Uztekstilprom that will allow them to lead engagement with cotton farming communities and meet Better Cotton's program partner requirements.

The roadmap also outlines strategies to reduce audit fatigue, improve the flow of assessment data and engage the supply chain to demonstrate the benefits of processing Better Cotton fiber.

Uzbekistan is one of the world's largest cotton-producing countries, growing approximately 740,000 metric tons of the fiber in 2022-2023, according to Statista. The Central Asian country is known for its distinctive "cotton clusters"—vertically integrated enterprises which grow, harvest and process cotton.

Better Cotton, which operates in 22 countries and accounts for 22 percent of global cotton, launched in Uzbekistan in 2022 following assurance from the International Labor Organization

International News

Trade Update

(ILO) that the country had successfully eliminated systemic child and forced labor in its cotton production. Partners in the program work with agricultural communities at the field level to ensure their production meets Better Cotton's standards, which cover six areas: management, natural resources, crop protection, fiber quality, decent work and sustainable livelihoods.

The organization announced in September that it would transition to third-party validation after coming under fire for deficiencies in its due-diligence process and other issues. Better Cotton said it would employ external parties to conduct assessments and make certification decisions in an effort to improve the credibility of its process.

Better Cotton partners with more than 300 brands and retailers, including Adidas, Gap Inc., H&M and Zara parent company Inditex.

Source: sourcingjournal.com

Drewry WCI drops 2.4% amid slowing global demand & shifting dynamics

The Drewry World Container Index (WCI) composite index declined further by 2.40 per cent to $3,331 per 40-foot container on November 28, 2024, down from $3,413 per 40-foot equivalent unit (FEU) the previous week.

This marks a 68 per cent decrease from the pandemic peak of $10,377 in September 2021 but remains 134 per cent higher than the pre-pandemic average of $1,420 in 2019. The WCI decline reflects shifting geopolitical dynamics and reduced demand for international shipping services.

The year-to-date (YTD) composite index averages $3,966 per FEU, which is $1,116 higher than the 10-year average of $2,850 (inflated by the exceptional COVID-19 period from 2020 to 2022).

The freight rates from Shanghai to Los Angeles decreased 5 per cent or $238 to $4,250 per FEU and those from Shanghai to Rotterdam fell 2 per cent or $74 to $3,997 per FEU. Likewise, rates from Shanghai to Genoa, Shanghai to New York and New York to Rotterdam shrank 1 per cent to $4,490, $5,182 and $789 per FEU, respectively.

Meanwhile, rates from Rotterdam to Shanghai, Los Angeles to Shanghai and Rotterdam to New York remained stable. Drewry also expects spot rates to remain stable next week.

Source: fibre2fashion.com

Vietnam targets textile and apparel exports worth $47-$48 billion in 2025

A rise in year-end demand along with favorable global economic trends have brightened the outlook for Vietnam's textile and apparel sector which aims to achieve exports worth $47–48 billion in 2025.

In 2024, driven by a shift in orders from competitors like China and Bangladesh, and declining inventory levels in key markets such as the US, EU, and Japan, Vietnam's textile and apparel exports increased by 11.2 per cent to $44 billion. However, despite this positive outlook, the sector continues to face challenges like the need for stricter sustainability standards in the EU and US and rising competition in Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) markets. To navigate these hurdles and capitalise on the emerging opportunities, the industry needs to accelerate investments in new technologies, opines Vu Duc Giang, Chairman, Vietnam Textile and Apparel Association (VITAS).

Textile and apparel companies in Vietnam also need to penetrate new markets like the Middle East and South America, adds Nguyen Xuan Duong, Chairman, Hung Yen Garment Corporation (Hugaco). They need to invest in automation besides accelerating digital transformation, adopting greener practices and reducing costs to improve product quality and competitiveness, he states.

Many firms in Vietnam have bagged confirmed orders through Q1 2025, with negotiations extending into the latter half of the year. This renewed consumer demand is being driven by recovering export markets, particularly in the US, notes Le Tien Truong, Chairman, Vietnam National Textile and Garment Group (Vinatex). Political instability in competing nations such as Bangladesh and Myanmar is also helping Vietnam capture shifting orders.

To sustain growth, Vietnam needs to manage input costs, optimise labor resources and respond to fluctuating exchange rates, adds Truong. Firms need to also embrace sustainability, digitalisation, and automation to meet evolving buyer expectations, he affirms.

Source: fashionatingworld.com

Australia to allow duty-free access for Bangladesh products post 2026

Australia has reiterated its commitment to allowing duty-free and quota-free access for products from Bangladesh even after the latter graduates from the least developed country (LDC) status in 2026.

The third meeting of the joint working group under the Trade and Investment Framework Arrangement (TIFA) signed between both sides was held recently in Canberra.

Bangladesh invited Australia at the meeting to invest in its information technology sector, while the latter was keen to import summer fruits from the former.

Both sides have expressed interest in enhancing mutual cooperation in sectors, including trade policy, agriculture, education, investment, garment industries, energy and information technology, a Bangladesh news outlet reported.

Australia expressed interest in the use of wool and cotton from Bangladeshi in its garment industry, while the latter sought the former's assistance in technical education and skills development.

The prospect of direct flights between the two nations was also discussed.

The fourth such meeting is scheduled to take place in Dhaka at the same time next year.

Source: fibre2fashion.com

Trade Update

International News

Singaporean textile company plans $590 mn project in Vietnam

Mega Textile Singapore Limited will establish a $590 million project spanning 51 hectares in the Tho Loc Industrial Park, located in Southeast Nghe in Vietnam. The Singapore-based company will set up Mega Textile Vietnam Co Ltd to execute the project. It is expected to generate over 15,000 jobs.

The investment procedures are expected to be completed by the second quarter of 2025, and there will be three stages to the construction of this project. The factory's first phase is anticipated to begin operations in the second quarter of 2028, followed by the second quarter of 2030 for the second phase and the second quarter of 2034 for the third phase, as per Vietnamese media reports.

The project aims to create a variety of textiles, such as clothes, belts, knitwear, coloured yarns, fabrics, and cut semi-finished goods. About 67,200 tonnes of fabric, 10,300 tonnes of knitwear, 7,200 tonnes of coloured yarn, 100 million belts, 130 million garments, and 2.2 million cut semi-finished products are estimated to be produced annually.

Mega Textile Singapore Limited is fully owned by Best Pacific, a leading name in the manufacturing and trading of textiles and belts, supplying top global sportswear and lingerie brands. Mega Textile Vietnam is among the leading projects by the group.

Source: fibre2fashion.com

ITMF Survey shows resilience in global textile industry amidst ongoing challenges

The 29th Global Textile Industry Survey (GTIS), conducted by the International Textile Manufacturers Federation (ITMF) in November 2024, reveals a mixed yet resilient outlook for the global textile sector.

While short-term business sentiment has slightly declined over the past two months, long-term improvements remain steady since the low of November 2023. South America and Africa show strong optimism, leading regional performance with increasing order intake, while Europe and the textile machinery segment experience weaker demand.

The global textile value chain is seeing a continued decrease in inventory levels, although with regional variations. Africa reports the highest levels of inventory, while garments maintain the lowest. Despite challenges such as geopolitical tensions, inflation, and high energy prices, the industry's confidence in future business prospects remains strong, particularly in South America and Africa.

Global demand remains a key concern, but its intensity is waning. Notably, the shortage of skilled workers ranks as the third most pressing issue, highlighting a growing challenge for the industry. Order cancellations have continued to decline for the 14th consecutive month, and the average order backlog stands at 2.1 months, indicating ongoing recovery and stability within the sector.

Overall, the survey highlights a positive trajectory for the global textile industry, marked by improved order intake, a diminishing cancellation rate, and continued optimism despite facing persistent global challenges.

Source: fashionatingworld.com

Indonesia, Canada sign Comprehensive Economic Partnership Agreement

Three years after negotiations started, Canada and Indonesia yesterday signed a Comprehensive Economic Partnership Agreement (CEPA) in Jakarta aimed at strengthening bilateral economic ties.

The agreement will take effect in 2026.

Indonesia will witness liberalisation of 90.5 per cent of the total tariffs for goods entering Canada with a trade value of $1.4 billion.

Indonesian trade minister Budi Santoso and Mary Ng, Canadian minister of export promotion, international trade and economic development signed the agreement.

"Together, we advance sustainable critical mineral management, supporting Indonesia's net zero target by 2060, and fostering Canadian investment while driving green growth in both nations," Santoso told a joint press conference.

Indonesia has rich deposits of tin, copper and bauxite, among others, and is the world's largest source of nickel ore.

Garments and footwear are part of Indonesia's main exports to Canada. In 2023, Indonesia was Canada's 22nd-largest trading partner worldwide and third largest among Southeast Asian countries.

Two-way merchandise trade between both sides was valued at $5.1 billion in 2023, and Canadian merchandise exports to Indonesia were valued at $2.3 billion, making Indonesia Canada's largest export market that year among ASEAN members.

Source: sourcingjournal.com

South Africa's textiles imports rise 11.3% in Jan-Oct 2024

South Africa's imports of textiles and textile articles (under chapters 50-63) totalled 55,322.8 million rand (~$3,050.70 million) between January and October 2024, according to preliminary data released by the South African Revenue Service in October 2024. This marks an 11.3 per cent increase compared to the same period last year.

Official merchandise trade statistics reveal that during the same period in 2023, the country imported textiles and textile articles worth 49,686.4 million rand. South Africa continues to be a net importer in this product segment.

Exports of textiles and related products edged up by 1.0 per cent, amounting to 19,147.1 million rand (~$1,055.85 million) in the first ten months of 2024, compared to 18,959.8 million rand during the corresponding period in 2023.

In October 2024, South Africa's textile and textile article imports stood at 6,997.2 million rand (~$385.85 million), reflecting a 24.3 per cent increase over the imports of 5,627.1 million rand in the previous month, September 2024.

The country's exports under the same chapters rose by 24.7 per cent to 2,322.3 million rand (~$128.05 million) in October 2024, up from 1,862.9 million rand in September 2024.

International News

Trade Update

These trade figures suggest high growth in October 2024, in contrast to the slower growth seen in the trade in September 2024. South Africa's imports and exports of textile products have shown growth both in the latest month and cumulatively from January to October 2024.

Source: fibre2fashion.com

Turkestan region of Kazakhstan commences new export-oriented cotton fiber production factory

A new cotton fiber manufacturing factory has been established in the Maktaaral district of the Turkestan region. The facility is expected to export its products to China, Turkey, Europe, Tajikistan, Iran and Kyrgyzstan. It is set to undertake major projects worth approximately $133.5 million through 2030.

The factory's capacity is 80,000 tons of cotton fiber per year. According to initial plans, the facility is set to process up to 600 tons of raw cotton per day. Since the start of the cotton harvesting campaign, the factory has already processed 41,000 tons. It is expected that the plant will produce around 180 tons of high-quality fiber and other goods on a daily basis.

Kazakhstan's Ministry of Agriculture believes that exports will strengthen the country's position in the global market. The factory is owned by Zhanassyl, a company controlled by Zhuman Kalel. (There is no open-source information about the entrepreneur).

In addition to the base production site, new facilities designed to produce drip irrigation systems and process cottonseed are being constructed. These projects, worth $5.7 million, will be completed by 2025 and provide extra support to the agricultural sector.

In late October, the Ministry of Agriculture reported that the construction of an agro-industrial complex for cotton processing had commenced in the Turkestan region. The fabric produced by the factory is expected to be used by Louis Vuitton and Gucci. The project costs approximately $280.10 million and is managed by the Chinese company Xinjiang Lihua. There is no information available in open sources about the company's owners.

Source: Kursiv Media Kazakhstan

Uniqlo boss says brand does not use Xinjiang cotton

Fast Retailing's chief executive, Tadashi Yanai, has claimed that the company's core brand, Uniqlo, does not use cotton sourced from China's Xinjiang region in its products.

Yanai addressed the concern to the BBC, to which he confirmed that the company was not utilising cotton from this district, before stating: "It gets too political if I say anymore so let's stop here."

Xinjiang, which had initially produced around a fifth of the world's cotton, has been at the centre of controversy in recent years after a number of investigations and reports alleged evidence of forced labour against incarcerated Uyghur Muslims and other minority groups.

While the Chinese government has adamantly denied such claims, a damning report by the United Nations published in 2022, featuring interviews with "direct or first-hand knowledge" of the situation, stated that "serious human rights violations have been committed".

Since concerns of such alleged abuses came to light, many international brands have become subject to scrutiny regarding their dealings with manufacturers and suppliers in the region, some eventually opting to cut ties with firms based there in order to cater to consumer demand or legal restrictions taking precedence in countries like the US and UK.

Source: fashionunited.uk

Brazil sets new milestone in cotton production and exports

Brazil has achieved a historic milestone by surpassing the United States in cotton production and exports for the first time. In Marketing Year (MY) 2024/25, Brazil's cotton planted area reached a record 1.97 million hectares, driven by favorable prices and reduced production costs.

Cotton exports are forecasted at 12.6 million bales, supported by global demand and reduced Indian output. Despite lower yields due to weather challenges, production is estimated at 16.9 million bales, up 13% from the previous year. While domestic consumption remains stable at 3.2 million bales, exports continue to thrive, with China leading import demand.

Brazil's strategic positioning and cost advantages underline its growing dominance in the global cotton market.

Source: in.investing.com

Global trade to hit record $33trln in 2024, says UN

The United Nations Conference on Trade and Development (UNCTAD) projected global trade to reach a record $33 trillion in 2024, reflecting a $1 trillion increase compared to 2023.

This represents an annual growth of 3.3 percent, showcasing the resilience of global trade despite ongoing challenges.

According to UNCTAD's latest Global Trade Update, the robust growth in trade services, which increased by 7 percent this year, contributed significantly to this expansion, accounting for half of the overall growth.

In contrast, goods trade grew by a modest 2 percent, remaining below its 2022 peak. The report highlighted challenges for developing economies, traditionally key drivers of global trade. These economies faced a 1% contraction in imports and a similar decrease in South-South trade during Q3 2024.

On the other hand, advanced economies led the quarter's growth, with stable demand driving a 3% rise in imports and a 2% increase in exports.

Despite obstacles, the report emphasised opportunities for developing countries to capitalise on high-growth sectors. Trade in ICT goods and clothing surged by 13% and 14% respectively in Q3, underscoring the potential for diversification into value-added industries.

Sector-specific data revealed declines in traditional sectors critical to developing economies. Energy trade fell by 2% in Q3 and 7% over the year, while metals trade contracted by 3%.

Automotive trade shrank by 3% in Q3 but is expected to close the year with a 4% annual growth rate. Meanwhile, stable global growth forecasts and reduced inflation offer promising prospects for building resilience in 2025.

Source: zawya.com

Trade Update

International News

Global goods trade growth steady but outlook cloudy: WTO

Global trade in goods is likely to continue to grow steadily through the fourth quarter of 2024 but the outlook is clouded by increasing economic uncertainty including possible shifts in trade policy, per the latest WTO Goods Trade Barometer readings released on Monday.

"The latest reading of 102.7 for the barometer index is both above the quarterly trade volume index and greater than the baseline value of 100 for the index, suggesting that trade will continue to grow steadily through the fourth quarter. However, the outlook is clouded by rising economic uncertainty, including possible shifts in trade policy," a statement issued by the WTO noted.

The Goods Trade Barometer is a composite indicator for world trade and provides real-time information on the trajectory of merchandise trade relative to recent trends. Barometer values greater than 100 are associated with above-trend trade volumes while barometer values less than 100 suggest that goods trade has either fallen below trend or will do so in the near future.

All of the barometer's component indices remain on or above trend except for the electronic components index (95.4), which has stabilised below trend, the statement pointed out.

"Export orders, usually the most predictive of the barometer's components, remain very close to the baseline value of 100, suggesting steady trade growth in the near term," it said.

Indices representing export orders and raw materials indices are both on trend (100.5) while those representing air freight (102.9), automotive products (104.0) and container shipping (105.8) are firmly above trend. The container shipping index showed the biggest improvement over the last three months while the air freight index lost momentum.

The report mentioned rising economic uncertainty, including possible shifts in trade policy, clouding the outlook for global trade. It, however, did not mention what would lead to the shifts in trade policy.

According to the WTO's most recent trade forecast of October 10, trade volume growth for the whole of 2024 is likely to be around 2.7 per cent while growth in 2025 is expected to touch 3 per cent.

Source: thehindubusinessline.com

US' textiles & apparel imports see modest growth of 0.8% in Jan-Oct

The United States' textile and apparel imports increased by 0.88 per cent, totalling $90.800 billion from January to October 2024, compared to $90.011 billion during the same period in 2023.

China remained the largest supplier to the US, holding a 24.24 per cent market share, followed by Vietnam at 15.11 per cent.

During the first ten months of 2024, apparel imports, which constitute the majority of US textile imports, decreased by 0.43 per cent to $67.046 billion, down from $67.337 billion in the same period of 2023.

However, non-apparel imports rose by 4.77 per cent to $23.754 billion, according to the US Department of Commerce's Major Shippers Report.

US apparel imports from Cambodia grew by 12.85 per cent, while those from Pakistan rose by 4.44 per cent. Apparel imports from India and Vietnam also saw gains of up to 3.87 per cent.

In contrast, imports from China fell by 1.41 per cent, Bangladesh by 3.31 per cent, Indonesia by 1.51 per cent, Mexico by 8.75 per cent, Honduras by 4.49 per cent, and Italy by 2.58 per cent.

In the non-apparel sector, imports increased by 8.66 per cent from China, 4.04 per cent from Turkiye, 19.65 per cent from Vietnam, 6.67 per cent from India, and 10.48 per cent from Cambodia.

Meanwhile, shipments from Mexico to the US dropped by 5.54 per cent, with further declines from Italy, Canada, and South Korea.

During the review period, total US textile and apparel imports stood at $90.800 billion.

Man-made fibre products accounted for the largest share, totalling $47.279 billion, followed by cotton products at $37.375 billion, wool products at $3.540 billion, and silk and vegetable fibre products at $2.604 billion.

In 2023, the US imported textiles and apparel worth $104.959 billion, marking a 20.51 per cent decrease from 2022. Apparel imports fell by 22.05 per cent to $77.840 billion, while non-apparel imports declined by 15.73 per cent to $27.119 billion.

In 2022, US textile and apparel imports had risen to $132.201 billion, up from $113.938 billion in 2021, following a sharp decline in 2020 when imports dropped to $89.596 billion, compared to $111.033 billion in 2019.

Source: fibre2fashion.com

Vietnam's trade surplus hits $24.31 bn in Jan-Nov 2024

Vietnam saw a trade surplus of $24.31 billion in the first 11 months this year, according to the country's General Statistics Office (GSO).

In November, total trade turnover was estimated at $66.4 billion, representing a year-on-year (YoY) increase of 9 per cent.

In the January-November period, total export and import turnover reached $715.55 billion—up by 15.4 per cent YoY.

Export turnover during the period was estimated at $369.93 billion—a YoY increase of 14.4 per cent. The domestic economic sector contributed $103.88 billion, accounting for 28.1 per cent of the total, while the sector with foreign direct investment contributed $266.05 billion, making up 71.9 per cent.

Import turnover during the eleven months reached $345.62 billion—up by 16.4 per cent YoY. The domestic economic sector's spending on imports increased by 18.5 per cent YoY to $126.05 billion, while the FDI sector recorded $219.57 billion—up by 15.2 per cent YoY, a domestic media outlet reported.

The United States remained the country's largest export market with exports worth $108.9 billion, while China was the top source of imports, worth $130.2 billion.

Source: fibre2fashion.com

National News

Trade Update

Vardhman Textiles approves capex of Rs 350 crore to increase processed fabric capacity

Vardhman Textiles on Thursday announced that its board of directors approved to increase the processed fabric capacity at Vardhman Fabrics, Budhni, Madhya Pradesh, by about 31 million meters per annum with a total capital outlay of approximately Rs 350 crore. The company has an existing processed fabric capacity of about 175 million meter per annum and the current capacity utilization is above 90 per cent.

In a regulatory filing, the company said, "This is to inform you that the Board of Directors of the Company in its meeting held today i.e. 28th November, 2024, has approved to increase the processed fabric capacity at Vardhman Fabrics, Budhni, Madhya Pradesh by about 31 million meters p.a. with a total capital outlay of Rs 350 crore (approx.)."

The proposed capacity addition is to be done within two years and the capital expenditure, the Vardhman Textiles said, would be funded from either internal accruals or debt.

With the capacity addition, the company plans to meet increasing demand for processed fabric in both export and domestic markets.

In October, Vardhaman Textiles had declared its Q2FY25 results with a topline increase of 4.38 per cent YoY and a remarkable profit surge of 46.57 per cent YoY. In comparison to the previous quarter, the company's revenue recorded a growth of 8.4 per cent, and the profit saw a decrease of 17.47 per cent.

Source: financialexpress.com

North Indian cotton yarn holds firm amid rising export opportunities

Cotton yarn prices in north India remained stable, but a recent rise in ICE cotton and the seasonal transition supported demand. The major markets of north India, including Delhi and Panipat, witnessed cotton yarn trade at previous price levels. Traders noted that ICE cotton has seen higher gains compared to the Indian market, improving price parity for cotton yarn exports. Mills are receiving better export orders for intermediary products. However, domestic demand remained average amidst tight payment flows. In Panipat, India's home textile hub, there was slightly better demand for recycled yarn as temperatures dipped across several parts of north India. Despite this, prices did not show significant movement.

In the Ludhiana market, cotton yarn prices hovered at previous levels, with average demand observed. Limited payment flows were a negative factor for the trade, but the prospects of increased cotton yarn exports provided a positive outlook. A trader from the Ludhiana market told Fibre2Fashion, "Domestic demand is not very encouraging, but the recent rise in ICE cotton has improved price parity for cotton yarn exports from local spinners. Summer garment production is gradually picking up, which may boost cotton yarn demand."

In Ludhiana, 30 count cotton combed yarn was sold at ₹257-267 (approximately $3.05-3.16) per kg (inclusive of GST); 20 and 25 count combed yarn were traded at ₹247-257 (approximately $2.93-3.05) per kg and ₹252-262 (approximately $2.99-3.10) per kg, respectively; and carded yarn of 30 count was noted at ₹237-242 (approximately $2.81- 2.87) per kg today, according to trade sources.

The Delhi market also saw stability in cotton yarn prices, with average demand from the downstream industry. Market sources reported that garment exports from north Indian states, especially Delhi NCR, remained slow.

Exporters who previously sourced garments from Bangladesh have shifted more orders to south Indian exporters. Traders indicated that overall cotton yarn demand was sufficient to sustain current price levels.

In Delhi, 30 count combed knitting yarn was traded at ₹260-262 (approximately $3.08-3.10) per kg (GST extra), 40 count combed at ₹282-290 (approximately $3.34-3.44) per kg, 30 count carded at ₹237-239 (approximately $2.81-2.83) per kg, and 40 count carded at ₹262-265 (approximately $3.11-3.14) per kg today.

Source: fibre2fashion.com

India's vision is to become world's most efficient and trusted trade hub: Revenue secy

India's vision is to become the world's most efficient and trusted trade hub by expanding participation of authorised economic operators (AEOs), integrated free zones, and promoting innovative policies, Revenue Secretary Sanjay Malhotra said on Friday. "We aim to set new benchmarks in trade facilitation and global connectivity," Malhotra said while delivering the valedictory address at the Global AEO Conference here.

He further said technology and trust are two pillars of the revenue department.

India has been adopting technology both in direct and indirect tax administration, he said, adding that most of the services are online including appeals, refunds and payments.

"We actually generate billions and billions of bills of entry and shipping bills every year. To be able to do this without the help of technology is not possible," he said, adding, India aims to make all its ports automated.

Similarly, he said, "It is now our endeavour to be able to make all services at all ports and at all times, online and electronic."

Of 20 major ports, 17 are fully automated, he said. Expanding the AEO programme in the last few years has been part of the trust-based strategy.

About 6,000 entities have been recognised under this AEO programme and 37 per cent of bills of entries are through these entities.

Source: economictimes.com

Industry 5.0, weaving a new future for Indian textiles

The Indian textile industry is ready for a change with the advent of Industry 5.0. A new report, 'Decoding the Fifth Industrial

Trade Update

National News

Revolution: Marching towards a resilient, sustainable and human-centric future', highlights the potential of this new technology to revolutionize the sector, boosting profitability and creating a more sustainable and human-centered approach to production.

Report highlights

Higher profits through automation and AI: Industry 5.0 technologies, such as advanced robotics, artificial intelligence (AI), and the Internet of Things (IoT), can significantly enhance productivity and efficiency in textile manufacturing. This translates to reduced costs, faster production times, and ultimately, increased profitability.

Sustainability as a core principle: The report emphasizes the importance of sustainability in Industry 5.0. By leveraging technologies like AI-powered energy management systems and water-recycling solutions, textile companies can minimize their environmental footprint and contribute to a circular economy.

Human-centric approach: Industry 5.0 prioritizes the well-being of workers. By automating repetitive and hazardous tasks, it allows employees to focus on more creative and value-added roles, leading to improved job satisfaction and skill development.

Mass personalization: Industry 5.0 enables mass personalization, allowing textile companies to cater to individual customer needs and preferences. This can be achieved through technologies like 3D printing and on-demand manufacturing.

Implementation of Industry 5.0

Several factors are likely to drive the implementation of Industry 5.0 in the Indian textile sector. The Indian government is actively promoting Industry 4.0 and 5.0 through initiatives like the 'Make in India' campaign and the 'National Policy on Advanced Manufacturing'.

These policies provide incentives and support for companies adopting advanced technologies. And with global competition intensifying, Indian textile companies need to embrace Industry 5.0 to remain competitive. By adopting advanced technologies, they can improve product quality, reduce costs, and enhance customer satisfaction.

Consumers too are demanding personalized products and sustainable practices. Industry 5.0 enables textile companies to meet these demands, leading to increased customer loyalty and market share.

In India some companies have already incorporated Industry 5.0. For example, Leading textile manufacturer, Arvind Limited has implemented AI-powered systems to optimize its production processes. This has resulted in a significant reduction in energy consumption and waste generation, leading to improved profitability and sustainability.

Similarly, Welspun India, a global home textile leader, has embraced automation and robotics to enhance its manufacturing efficiency. This has led to higher production capacity and lower labor costs, contributing to higher profits.

Therefore, industry 5.0 presents a significant opportunity for the Indian textile sector to enhance its profits, sustainability, and competitiveness. By embracing advanced technologies and prioritizing human-centric values, textile companies can weave a new future of growth and prosperity.

Source: fashionatingworld.com

Andhra Cabinet's nod to IT, textile, maritime & tourism policies

The State Cabinet, which met on Tuesday under the chairmanship of Chief Minister N Chandrababu Naidu, approved the IT and Global Competitive Centres Policy 4.0, AP Textile, Apparel and Garments Policy, AP Maritime Policy, and AP Tourism (Amendments) Policy.

The Cabinet ratified the APCRDA's decision to invite tenders for the stalled infrastructure development works estimated to be over Rs 11,471 crore in the Capital Amaravati.

Briefing the media of Cabinet decisions, Minister for Information and Public Relations Kolusu Parthasarathy said the main objective of the IT policy is to make Andhra Pradesh the next destination for IT in the country. "Under the Information Technology and Global Competitive Centres Policy 4.0 2024-29, remote, hybrid and coworking spaces will be developed. Incentives will be given to coworking and neighbourhood space developers based on certain criteria," he explained.

Highlighting Chief Minister N Chandrababu Naidu's vision of 'One Family, One Entrepreneur', he said, "The IT policy has been adopted to provide employment to the youth and improve the economic condition of the State. It will certainly help promote every graduate to the global level, besides ensuring lucrative salaries."

The AP Apparel and Textile Policy 4.0 2024-29 is aimed to attract Rs 10,000 crore investments, besides creating two lakh jobs in the next five years. Five textile parks under the Public Private Partnership (PPP) mode will be set up across the State. "During the next five years, $1 billion textile exports have been targeted," he elaborated.

The Maritime Policy has been formulated to develop Andhra Pradesh as a port-centric economy taking advantage of its 975 km long coastline. Efforts are also being made to encourage the shipbuilding industry. The Chief Minister is holding discussions with the Prime Minister for the establishment of a mega shipyard in the State, he said.

Minister for Municipal Administration and Urban Development Minister P Narayana said with no action on the Capital Amaravati project by the previous YSRCP regime for five years, not only the works got stalled causing huge damage to the structures already built, but also the estimated cost of the project increased significantly.

"The Cabinet has approved the APCRDA's decision of cancelling the previous tenders, and invite fresh tenders. The damage incurred to the works has been estimated at Rs 286.78 crore. As there is GST now, there will be an additional cost of 452.35 crore. The estimated cost of 360 km long trunk roads has gone

National News

Trade Update

up by Rs 460 crore," he explained.

The works in Amaravati include construction of administrative towers, Assembly building and High Court complex, for which tenders will be invited by the end of this month. The budget estimate at that time for the construction of these structures was Rs 41,000 crore, which has now gone up by 30%, he added.

Source: newindianexpress.com

'China Plus 1' benefited Vietnam, Thailand more, not India: Niti Aayog

India has seen limited success so far in capturing the 'China Plus One' strategy, while Vietnam, Thailand, Cambodia, and Malaysia have emerged as larger beneficiaries, according to a Niti Aayog report on trade.

Nonetheless, US President-elect Donald Trump's increased tariffs, announced on China, Mexico and Canada, spell more opportunities for the country, as they will lead to huge trade diversion, and it is up to India to see what it can make of it, according to Niti Aayog CEO BVR Subrahmanyam.

"Whatever Trump has announced so far targets three countries. There are opportunities for India. The ball is coming our way. Whether we are going to catch it or drop the catch is for us to see...I think you will see some steps in the next few months," BVR Subrahmanyam said on Wednesday at the launch of the 'Trade Watch Quarterly' report which seeks to give a snapshot of India's trade developments.

Trump's proposal

On November 26, Trump said that he would impose a 25 per cent tariff on all goods coming from Mexico and Canada and an additional 10 per cent tariff on China, above any other tariffs, after taking over on 20 January 2025. These tariffs are to clamp down on drugs and illegal immigration.

Earlier, during his election campaign, he had declared his intention to impose a 10 per cent import tariff on goods coming in from all trade partners, including India, and a 60 per cent import tariff on China, if voted to power.

Trump's proposal of imposing a general tariff of 10 per cent will affect everybody and may not have any special impact on India, pointed out Arvind Virmani, Member, Niti Aayog. However, the 60 per cent import tariff on China provided an opportunity to Indian companies to grab in the medium and long term, he said.

The US is the largest trading partner of India, with Indian exports to the country totalling $77.51 billion and imports at $42.2 billion FY24.

The Niti Aayog report also cautioned against the EU's Carbon Border Adjustment Mechanism (CBAM), under which the bloc will impose additional import tariffs on six carbon-intensive sectors including steel, aluminium and cement, from 2026.

"Indian firms may incur tariffs of 20-35 per cent, leading to higher costs, reduced competitiveness, and lower demand in the EU market. Additionally, compliance costs will rise due to the need for detailed emissions reporting," it said.

The EU is India's second-largest trading partner. In FY24, the EU accounted for exports worth $76 billion.

Source: thehindubusinessline.com

ICAR to open two cotton research centres in Telangana

The Indian Council of Agricultural Research (ICAR), New Delhi, has agreed to establish two All India Coordinated Research Project Centres (AICRP) on cotton in Telangana, said Prof. Aldas Janaiah, the vice-chancellor (VC) of Professor Jayashankar Telangana Agricultural University (PJTSAU) in a press release on Thursday.

In the release, he said, "After the state's bifurcation, Telangana lost its representation in the national-level cotton research coordination centres. As a result, the PJTSAU could not participate in the national cotton research system for the past decade."

Recently, Prof. Janaiah met ICAR director general Dr Himanshu Pathak and deputy director general Dr T.P. Sharma in New Delhi and explained to them the need for AICRPs in Telangana. The VC requested the ICAR leadership to include the PJTSAU in the national cotton research coordination program by establishing two centres in the state - the main centre at Warangal and a sub-centre at Adilabad.

ICAR has agreed to establish the two centres and provide staff and funding to support cotton research. The centres will begin full-fledged research activities from the next financial year, informed the VC.

Source: deccanchronicle.com

Textile and garment industry opposes proposed hike in GST rates for apparel

The recent proposal by the Group of Ministers (GoM) on Rate Rationalisation to change GST rates for the apparel sector has led to concerns in the textile and apparel industry on the impact of the proposed changes on jobs and MSMEs.

The GoM is said to be considering increasing the GST rates to 18% from 12% for garments priced above ₹1,500 each and to 28% for garments priced above ₹10,000.

"Take the case of woollen sweaters. It is not a luxury, but a necessity in northern States. It is not possible to get woollen sweaters at less than ₹1,500 and the proposal is to increase the GST on it by 50% from 12% to 18%. In the case of wedding clothing, the garments are all priced above ₹10,000 each. The entire wedding clothing segment will either get into the informal sector or get wiped out," said Rahul Mehta, Chief Mentor, the Clothing Manufacturers Association of India (CMAI). All handwoven garments are priced more than ₹1,500 and increasing the rate on these garments will hit the handloom weavers.

In India, garments attract rates in two slabs - 5 % or 12 %. Now, the plan is to add another slab of 28%, he said.

According to Sanjay Jain, chairman of the National Expert Committee on Textiles of the Indian Chamber of Commerce,

Trade Update

National News

"Extending the 5% slab to garments priced up to ₹1,500 is a good move because it is eight years since GST was introduced and only garments up to ₹1,000 are in the 5 % slab. With inflation, the garment prices have increased. For apparel costing more than ₹1500, the rate should be retained at 12%," he said.

The Confederation of Indian Textile Industry (CITI) and the Southern India Mills Association (SIMA) have pointed out the inverted duty structure for manmade fibre (MMF) sector. MMF fibre attracts 18% duty, yarn is 12% and fabric is 5%. Garments come under 5% or 12%.

However, dyes and chemicals are 18% or 28% and textile processing is 5%. This is an anomaly that the industry has been asking the government to address, said the SIMA chairman S.K. Sundararaman.

"Varying GST rates across the (MMF) value chain block working capital and stifle growth. CITI reiterates its previous recommendations to reduce GST rates on raw materials such as PTA and MEG from 18% to 12%.

The proposed GST hike will disrupt the formal retail sector, driving consumers and businesses toward informal and unregulated channels. It is expected to heighten price inflation, disproportionately affecting price-sensitive consumers," said Rakesh Mehra, chairman of CITI.

A statement from the CBIC said reports in the media regarding the Group of Ministers (GoM) recommendations on GST rate changes regarding various goods and services are "premature and speculative". The GST Council has not yet deliberated on any GST rate changes. and the GoM is yet to finalise and present its recommendations to the Council after which the Council will take a final view on the recommendations. The Counsil is scheduled to meet at Jaisalmer on December 21.

Source: thehindu.com

Textile companies hog limelight on export prospects

Stocks of most textile companies rallied on hopes for better export prospects with the unrest in Bangladesh opening up fresh opportunities despite looming geopolitical concern and supply chain disruption.

Welspun Living was up six per cent at ₹174, while Himatsingka Seide and Gokuldas Exports increased eight per cent and six per cent to ₹211 and ₹1,037, respectively. Indo count Industries jumped 13 per cent to ₹387 each share.

Textiles exports increased 12 per cent in October to $1.83 billion from the year-ago period. Apparel exports registered 35 per cent year-on-year growth in October due to realignment of the global supply to India amid the prolonged unrest in Bangladesh.

Push from govt incentives

Backed by government incentives, some Indian exports have increased their market share in the US and have emerged as a preferred sourcing destination despite global headwinds and disruptions due to ongoing wars.

Dr Siddhartha Rajagopal, Executive Director, Cotton Textiles Export Promotion Council, said short-term gains are being reported due to the Bangladesh crisis, especially in the garment segment.

Some of the Christmas-season orders meant for Bangladesh seem to be coming India's way with home textiles exports also in positive territory. Overall demand trends are looking up and this fiscal will end on a positive note, he said

FTA and festive season

Besides the Bangladesh crisis, textile exporters have also benefited from the free trade agreement (FTA) signed with countries like South Korea, Japan, Australia and Mauritius.

Ashutosh Somani, Executive Director, Institutional Equity Research, JM Financials said the global inventory de-stocking cycle has now come to an end, with Indian players expecting relatively better demand in the second half of this fiscal as retailers gear up for the holiday season.

With rising labour costs amidst the China-plus one theme playing out, China has been losing market share across the world with its share in UK alone falling to 19 per cent this year from 27 per cent in 2020, said Somani.

The internal turmoil in Bangladesh and high factor costs in Vietnam might play well for Indian exporters, he said.

Ongoing wars have disrupted the traditional trade routes adding to the cost burden and this is the appropriate time for the government to support this labour-intensive sector through hand-holding, capacity augmentation, skilling, investment and sustained financial support to this MSME-driven sector, said a textile company executive.

Source: thehindubusinessline.com

Indian textile sector could see a festive cheer amidst disruptions in competing market, growing demand

India's textile sector could be poised for significant growth as disruptions in competing markets open up new opportunities for Indian exporters, according to a recent report by JM Financial.

Bangladesh, which once a dominant player in global textile supply chains, is facing political instability and supply chain disruptions. Meanwhile, rising operational costs in Vietnam is also proving to be a concern. These challenges could drive global retailers to increasingly turn to India as a reliable alternative.

The report highlights that India's market share in apparel exports to the US and UK has grown steadily, reaching 7 percent and 6 percent, respectively, in 2024, up from 6 percent and 5 percent in 2023.

Better demand, Better margins

Indian players like Gokaldas Exports and Indocount expect relatively better demand in 2H compared to 1H due to a possible renewed appetite for buying from retailers on the back of the festival season and now that the global inventory de-stocking cycle has now come to an end, according to the report.

The elevated freight costs due to peak season shipments and the Red Sea issue are expected to cool off in the coming months, which will aid margins for Indian players.

The recently signed UK-India Free Trade Agreement (FTA), could also be beneficial to Indian exporters.

In the US, India's market share in cotton sheet imports rose to 61 percent in 2024, up from 59 percent last year, despite a slight dip in September and challenges like the Red Sea crisis, and supply chain and logistics issues. Overall, US retailers are seeing a mixed demand sentiment. For example, Walmart raised its full-year revenue guidance to 4.8 percent-5.1 percent. On the other hand, competitors like Nike and Target faced softer consumer demand.

Another benefit to Indian textile manufacturers could be the stabilising of prices. According to the report, earlier in 2024, cotton and yarn prices peaked due to supply chain disruptions, higher demand, or market uncertainties. However, by November 2024, prices normalized, with cotton priced at Rs 151 per kg and yarn at Rs 232 per kg. The report notes that the spread between Indian and Chinese cotton prices has also narrowed significantly.

Mixed trends for global retailers

According to the report, global retailers reported mixed inventory trends during their latest earnings calls. Walmart on the back of strong Q3 2024 results, raised its full-year revenue guidance to 4.8%-5.1% from 3.75%-4.75%. While Target and Nike expect continued demand softness, TJX remains optimistic about home textiles. Overall, the report sees that global demand is expected to see a slight boost driven by the ongoing holiday season.

Boost for Indian stocks

Indian textile stocks have been gaining on the back of expected growth in demand. On December 9, stocks of Gokaldas, Trident, Indo Count and Welspun gained nearly 14 percent through the day with Gokaldas closing 6 percent higher, Trident closing 10 percent higher, Indo Count closing nearly 15 percent higher and Welspun closing 5 percent higher at the end of trading for the day.

Source: moneycontrol.com

Ludhiana: 30% plunge in state's textile exports, Rajya Sabha informed

The textile exports from Punjab has recorded a 30% plunge in three years, Union minister of state for textiles Pabitra Margherita informed Rajya Sabha (RS), triggering MP Sanjeev Arora from Ludhiana to flag the concern on Monday. The Rajya Sabha MP sought clarity on the steps being taken to arrest the fall.

As Punjab's textile exports continue their downward trajectory, industry stakeholders are calling for stronger policy interventions and state-level strategies to reverse the decline as the issue has become a critical concern for a sector that is vital to the state's economy and livelihoods, he observed.

Presenting provisional data, Margherita revealed that Punjab's textile exports (including apparel and handicrafts) have dropped sharply over the last three years. Exports amounted to 2,111.5 million USD in FY 2021-22 but plunged to 1,502.2 million USD in FY 2022-23 and further to 1,500.4 million USD in FY 2023-24, indicating a decline of nearly 30% over three years.

Arora expressed concern over the sustained reduction, pointing out the potential implications for Punjab's economy, particularly its employment and manufacturing sectors. He questioned the government on its efforts to diversify export markets for textiles in light of changing global trade dynamics and increased competition from countries – including Bangladesh and Vietnam.

The MP also underscored the importance of investing in advanced textile technology and workforce skill development to rejuvenate the industry. He emphasised the need to innovate and align with international standards to regain Punjab's standing in global markets.

In response, the minister outlined ongoing initiatives aimed at boosting the textile sector. "Skilling programmes under the Samarth Scheme, a part of the National Skill Qualification Framework, have benefitted approximately 800 individuals in Punjab since April 2021. Export incentives like the Rebate of State and Central Taxes and Levies (RoSCTL) and Remission of Duties and Taxes on Exported Products (RoDTEP) are being implemented to enhance competitiveness. Infrastructure projects, including the PM Mega Integrated Textile Regions and Apparel (PM MITRA) Parks Scheme and Production Linked Incentive (PLI) Scheme, aim to promote large-scale manufacturing," the minister stated.

Arora also pointed to the need for aggressive marketing strategies and collaborations to open new markets for Punjab's textile exports in regions like West Asia, Southeast Asia and Africa.

Source: hindustantimes.com

Trade Update

National News

COCPC estimates 8% drop in crop output to 299 lakh bales

The Committee on Cotton Production and Consumption (COCPC) has estimated the fibre crop's output at 299.26 lakh bales (of 170 kg each) for the 2024-25 crop year (October-September) — down 8% from the 325.22 lakh bales last crop year.

The dip in production is mainly on account of a decline in the area under cotton this year at 113.60 lakh hectares (lh), down 10% from 126.88 lakh hectares a year ago. However, the yields are higher at 447.84 kg/ha, as per COCPC's projections over 435.75 kg/ha last crop year.

Description	2023-24 (P)	2024-25 (P)	% change
Crop Size (Lakh bales)	325.22	299.26	-8.0%
Acreage (Lakh ha)	126.68	113.60	-10.1%
Yield (Kg/ha)	435.75	447.84	+11.1%

Regional Breakdown:

- Northern Zone: As per COCPC's estimate, the acreage in the Northern Zone comprising Punjab, Haryana and Rajasthan, declined to 12.38 lh (17.96 lh). Accordingly, cotton production in the Northern Zone is projected to decline to 33.05 lakh bales (47.60 lakh bales). However, the yields are estimated higher at 453.04 kg/ha (450.96 kg).
- Central Zone: In the largest producing area of Central Zone comprising Gujarat, Maharashtra and Madhya Pradesh, the cotton acreage declined to 69.88 lh (75.47 lh), per COCPC. Cotton production in the Central zone is estimated to be 182.93 lakh bales (189.03 lakh bales). Yields this year are forecast to be rising to 445.02 kg per hectare (425.80 kg).
- Southern Zone: Similarly, in the Southern Zone comprising Karnataka, Telangana, Andhra Pradesh and Tamil Nadu, the acreage is down marginally at 29.58 lh (31.13 lh). Production is estimated at 78.01 lakh bales (81.28 lakh bales) and yields are projected to be higher at 448.33 kg/ha (443.8 kg/ha).

The Committee on Cotton Production and Consumption (COCPC) assesses the production, consumption, imports and exports of cotton at regular intervals. It estimates the supply and demand of cotton in a cotton season (1st October to 30th September) and draws up the Annual Cotton Balance Sheet on the basis on the inputs received from Ministry of Agriculture, DGFT, industry association etc.

Few months back, Cotton Association of India (CAI) had released its first estimate of the cotton pressing numbers for 2024-25 season beginning from 1st October 2024. CAI had estimated all India total cotton pressing numbers for the 2024-25 season at 302.25 lakh bales of 170 kgs each (equivalent to 317.18 lakh running bales of 162 kgs each) as against 325.29 lakh bales of 170 kgs. each (equivalent to 341.35 lakh running bales of 162 kgs. each) in last year.

Source: COPC / O/o.TXC.

Exploring Opportunities for Trade in Curtains of Cotton

Special feature

Curtains of cotton

Curtains are fabric panels that are placed inside the homes to cover windows in order to provide privacy, light control, and decorative enhancement.

Over the years, curtains have become a decorative accessory rather than an essential fixture.

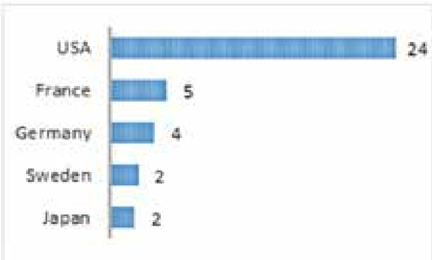
Today, curtains are available in various shares and fabrics. Some are made from a single fiber and some from a combination or blend of fibers – which may be natural and / or man-made.

In the context of international trade, curtains of cotton are classified under sub-heading 630319 and 630391.

The Global export market for Curtains of cotton is valued at USD 400 million approx. During 2023, the top-5 exporters of Curtains of cotton were China (24.2%); India (12.5%); Pakistan (10.0%); Germany (8.6%); and Poland (5.0%). The top-5 importers of Curtains of cotton were United States of America (22.6%); Germany (11.8%); France (4.5%); Saudi Arabia (4.2%); and Netherlands (4.2%).

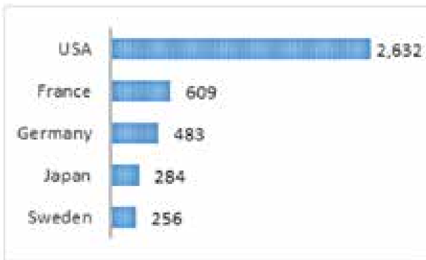
During 2023-24, India exported 5,797 tonnes of Curtains of cotton worth USD 47.3 million. USA was the top export destination both in terms of quantity and value.

India's exports of Curtains of cotton (USD Mn)



Source: Department of Commerce, GOI

India's exports of Curtains of cotton (tonnes)



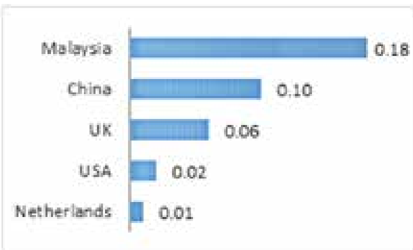
Source: Department of Commerce, GOI

It may be noted that India is today the top-most supplier of Curtains of cotton to the USA, France, and Japan.

The per unit average price realizations for Curtains of cotton that are exported from India are on the higher side in countries like the USA, Sweden, and the UK.

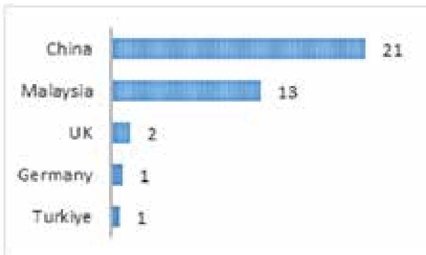
India also engaged in import of Curtains of cotton. During 2023-24, India imported 39 tonnes of Curtains of cotton worth USD 0.4 million. Malaysia was the top supplier in terms of value while China was the top supplier in terms of quantity.

India's imports of Curtains of cotton (USD Mn)



Source: Department of Commerce, GOI

India's imports of Curtains of cotton (tonnes)



Source: Department of Commerce, GOI

Based on our internal analysis, Indian firms dealing in Curtains of cotton may target exports to destinations like France, Germany, Japan, Philippines, Qatar, Saudi Arabia, Sweden, Switzerland, UK, and the USA.

All these countries are net importers of Curtains of cotton; and many of them (particularly those in the EU 27, along with Japan, Philippines, and Switzerland) provide preferential tariffs to Curtains of cotton that are imported from India. Although, Qatar and Saudi Arabia levy a 5% customs duty on import of Curtains of cotton from India, these are attractive markets just like the UK and the USA which are large buyers of Curtains of cotton.

:: TEXPROCIL ::

Policy Updates

Important Notifications on Policies & Procedures

Kindly get in touch with TEXPROCIL Grievance Redressal Cell for any clarifications, if required, on the herein shared notifications issued recently by the Council. The Member companies are appealed by the Council to send their suggestions sought on the various issues.

A) Export Data Processing and Monitoring System (EDPMS) – Closure of Small Value Shipping Bills

RBI has implemented "Dispensation Scheme for small value shipping bills "of upto US$ 1000". This will bring great relief to all small exporters particularly e-commerce exporters across India. The Council expresses its gratitude to DGFT for prioritizing e-commerce and fostering an environment to effectively address related challenges.

As you are aware, timely realisation and repatriation of foreign exchange is critical. This is operationalised through the EDPMS by matching inward remittances with the corresponding shipping bills of exporters. The recent routing of courier shipping bills through EDPMS has significantly increased the number of outstanding small-value shipping bills, which now form a major component of the overall pending entries.

In this regard, RBI has advised AD Banks to close shipping bills up to USD 1,000 (or its INR equivalent) in EDPMS, provided the following conditions are met.

- AD bank must be satisfied with the authenticity and legitimacy of the transaction.
- Funds against the export transaction have been received.
- Adequate documentation and proof of realisation are available to the satisfaction of the AD bank.
- Transactions should not have any concerns related to Know Your Customer (KYC), Anti-Money Laundering (AML), or Combating the Financing of Terrorism (CFT) regulations.
- Exporter should not be under investigation or involved in court cases related to these transactions.

All AD banks are thereby advised to implement the above guidelines immediately and ensure that the closure of small-value shipping bills is carried out in compliance with these criterions. This dispensation will be available only till 31.3.2025.

Link of the Circular: (https://tinyurl.com/2ea329wp)

B) Imposition of Definitive Anti-Dumping Duties on Indian Exports of Zippers and Tapes to Argentina

The Council has received a communication from DGTR regarding the closure of the investigation for alleged dumping in the export operations of zippers and tapes to Argentina originating from India and other countries.

In November vide resolution No.1672 dated 30.11.2023, the Ministry of Economy of Argentina had imposed a provisional antidumping duty of 314.29% ad valorem (on FOB) on Indian exports of the said products to Argentina for four months (till March 2024).

Now, vide resolution No.1280 dated 29.11.2024, definitive anti-dumping duties have been imposed on Indian exports of the said products to Argentina for three years. This has been communicated by the Ministry of Economy in Argentina vide Note No.NO-2024-131031190-APN-SIYC#MEC dated 29.11.2024.

Details of the antidumping duties imposed are as under:

- Metallic zippers - USD 37.8/kg
- Polyester zippers - USD 42.8/kg
- Plastic zippers - USD 23.3/kg
- Tapes with bronze or aluminium teeth - USD 24.0/kg
- Tapes with nylon or polyester teeth - USD 14.9/kg
- Tapes with plastic teeth - USD 13.1/kg
- Other tapes with teeth - USD 30.7/kg

Kindly refer to the Note (Spanish and English translation) and Official Bulletin (Spanish and English versions).

Link of the Circular: (https://tinyurl.com/mus6373)

C) Mandatory Use of Trade Connect Portal for NP eCoO Filing from 01.01.2025

DGFT's new Non-Preferential (NP) Certificate of Origin (eCoO) 2.0 system is now live on Trade

Important Notifications on Policies & Procedures

Policy Updates

Connect Portal and mandatory for all exporters filing NP CoO applications from 28.08.2024. Exporters are urged to migrate to the new system immediately, as the issuance of NP CoO through the Council shall be discontinued after 31.12.2024. In this regard, kindly refer to Council's E-Serve No. 150 dt. 11.09.2024 (click here) and E-Serve No. 289 dated 27.12.2023 (click here).

Why Shift to eCoO 2.0 Now?

Some members are still approaching the Council for NP CoO issuance instead of using the Trade Connect Portal. To streamline the process, members are urged to use this Portal, which provides user friendly features like e-signature options, an integrated dashboard, and multi-user access under a single IEC.

Action Points for Exporters:

Start Now: Begin filing NP CoO applications via https://www.trade.gov.in.

Account Access: Use your DGFT credentials or sign up if unregistered.

Prepare for Transition: Familiarize yourself with the eCoO 2.0 system to ensure compliance and avoid disruptions post-December 2024.

Need Help with Filing on the Trade Connect Portal? Contact TEXPROCIL

If you encounter any difficulties or errors while filing on the Trade Connect Portal, please contact the Council immediately. We will ensure your issue is promptly escalated to the appropriate authority for resolution.

Assistance and Support:

For queries, contact the CoO Helpdesk via toll-free numbers 1800-572-1550 / 1800-111-550 or email at coo-dgft@gov.in.

For guidance, please refer to DGFT Trade Connect Portal User Guide (enclosed).

Link of the Circular: (https://texprocil.org/circular/1732965824-Eserve-207_of_2024.pdf)

D) Syncing of ITC (HS), 2022- Schedule-1 (Import Policy) with Finance Act 2024 (No.2 of 2024) dtd. 16.8.2024

DGFT has issued Notification No.40/2024-25 dated 26.11.2024 to align the ITC (HS), 2022 - Schedule-1 (Import Policy) with the amendments introduced in the Finance Act, 2024 (No. 2 of 2024).

Key points include:

- Harmonization with Tariff Changes: Updates to the ITC (HS) codes to reflect modifications in customs tariffs, duties, and other measures as notified in the Finance Act, 2024.
- Policy Updates: Import policy conditions for affected items were amended to match the revised tariff lines or classifications.
- Effective Date: The changes take effect immediately from the date of the notification unless stated otherwise.
- Simplification and Compliance: The aim is to streamline the import process, ensure alignment with current customs policies, and enhance ease of compliance for importers.
- The updated ITC (HS) 2022 shall be available on the DGFT website (https://dgft.gov.in).

Link of the Circular: (https://texprocil.org/circular/1732965799-Eserve-206_of_2024.pdf)

E) JNCH nominates Export Facilitation Officers for redressal of grievances of exporters under NEEV Initiative

JNCH has issued Public Notice No.96/2024 dated November 2024 to further facilitate exports under NEEV and promote Ease of Doing Business.

Following officers are designated as "Export Facilitation Officers" for their respective sections to address grievances:

- Shri Mallinath K. Jeure, ADC (mallinath.jeure@gov.in / 9158330333) – Export Examination
- Shri Madhuranjan Singh, AC (madhuranjan.singh@gov.in / 9820821658) – Drawback & IGST Refund
- Shri Praveen C. Nikhade, AC (praveencn.c089401@gov.in / 9892191484) – CEAC
- Shri Rakesh Bainle, AC (rakesh-b.g209401@gov.in/ 9558663562) – EPSMMC
- Shri Mahesh Keny, AC (Mahesh.keny@gov.in / 9833166076) – RoSCTL & RoDTEP

Members may kindly flag your issues to the above nominated officials with a copy marked to the Council.

Link of the Circular: (https://texprocil.org/circular/1732276261-Eserve-204_of_2024.pdf)

Policy Updates

Important Notifications on Policies & Procedures

F) Alignment of RoDTEP Schedule consequent to changes in the First Schedule of Customs Tariff Act w.e.f. 01.10.2024

DGFT Notification No.39/2024-25 dtd. 28.10.2024 updates the RoDTEP Schedule [Appx. 4R for DTA units & 4RE for AA/EoU/SEZ units] for 54 tariff items in line with the Customs Tariff Act. Key details are as follows:

- Effective Dates:
  - Annexures A & B – RoDTEP Schedule 4R; 4RE w.e.f. 10.10.2024.
  - Annexures C & D – RoDTEP Schedule 4R; 4RE w.e.f. 01.10.2024 to 09.10.2024.
- Changes:
  - 39 new tariff lines added to the RoDTEP Schedule.
  - 13 tariff lines deleted (highlighted in red).
  - Descriptions updated for 2 existing tariff lines.
  - Said amendments do not apply to Cotton Textile items.

Link of the Circular: (https://texprocil.org/circular/1731149508-Eserve-187_of_2024.pdf)

G) New Cargo Facility at ICD Dhanakya, Rajasthan

CBIC vide Notification No.83/2024-Cus. (N.T.) dtd. 21.11.2024 has notified ICD Dhanakya, Rajasthan as a designated location for customs operations.

Link of the Circular: (https://texprocil.org/circular/1732712955-csnt83-2024.pdf)

H) CBIC notifies Chhara Port as Customs Seaport

CBIC issued Notification No.81/2024- Cus. (NT) dtd. 14.11.2024 making ‘Chhara Port’ in Gujarat as a Customs seaport.

Link of the Circular: (https://texprocil.org/circular/1732712932-csnt81-2024.pdf)

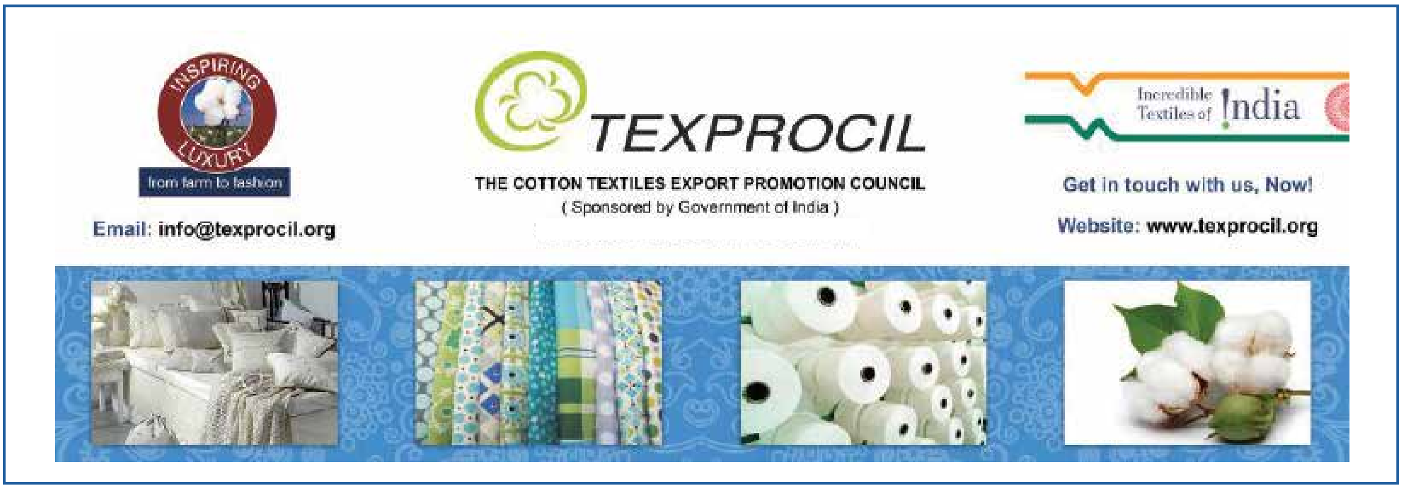
I) CBIC notifies ICD Jajpur for import/export operation

CBIC notifies ICD Jajpur in Orissa for Import/Export Operations vide Notification No.78/2024-Cus. (NT) dtd. 12.11.2024.

Link of the Circular: (https://texprocil.org/circular/1732712910-csnt78-2024.pdf)

Promote Your Merchanadise / Services
Advertise with Us!

Trade Notification



Advertisement Package for promoting products and solutions in the Publications of TEXPROCIL

Dear Madam/Sir,

As a part of TEXPROCIL's knowledge sharing initiatives, the Council is coming up regularly with various E-publications. The circulation of these publications, averaging to over 3000 avid readers, includes the Council's strong database of 2,000 nos. membership comprising manufacturers, exporters, traders of Indian cotton fibre, yarn, fabrics and madeups range of products.

The readership database also includes the contacts of textiles trade associations, government representatives, foreign missions, etc. which are being updated from time to time.

The Council has planned to offer an **'Advertisement Package'** for the various Publications with a view to enhance the exposure of products and solutions being offered by various entities. We request you to kindly consider the advertisement opportunity as per details attached.

Publication details are as follows:

1. **Newsletter** - Published every fortnight
2. **IBTEX** - Published daily - Includes news clippings on articles of interest in T&C appearing in various publications.

Advertisement Package details are given below this column.

For further clarifications you may like to advise your office to kindly write to Mr. Rakesh Chinthal, IT Officer/ Mr. Rajesh Satam, Joint Director on email: rakesh@texprocil.org / rajesh@texprocil.org.

For queries related to advertisement booking kindly write to Mrs. Mrunal Sawant on email: mrunal@texprocil.org.

We look forward to receiving your enquiries / confirmation for availing the advertisement opportunity in publications of TEXPROCIL.

Regards,

Dr. Siddhartha Rajagopal
Executive Director
:: TEXPROCIL ::

ADVERTISEMENT PACKAGE
(For Advertisement in TEXPROCIL E-PUBLICATIONS)

TEXPROCIL E-NEWSLETTER (FORTNIGHTLY)

Ad. Option	One Issue	Six issues	Twelve Issues	Twenty Four Issues (BEST OFFER)
Double Spread	Rs. 12,000	Rs. 61,200	Rs . 1,15,200	Rs. 2,16,000
Quarter Page	Rs. 2,000	Rs. 10,200	Rs. 19,200	Rs. 36,000
Half Page	Rs. 3,000	Rs. 15,000	Rs. 28,500	Rs. 54,000
Full Page	Rs. 5,000	Rs. 25,500	Rs. 48,000	Rs. 90,000

IBTEX E-NEWS CLIPPINGS (DAILY)

Ad. Option	Three Months	Six Months	Twelve Months	Twenty Four Months (BEST OFFER)
Click-on-Logo	Rs. 15,000	Rs. 25,000	Rs. 50,000	Rs. 90,000

For more information please contact:

Rajesh Satam
Joint Director

The Cotton Textiles Export Promotion Council (TEXPROCIL)

5th floor,
Engineering Centre,
9, Mathew Road,
Mumbai - 400 004 India
T. 91-22- 49444000
2363 2910 to 12
F. 91-22-23632914

Email
rajesh@texprocil.org

Website
www.texprocil.org

Trade Notification

Membership Renewal Subscription Fee for FY 2024-2025

Dear Member,

As you are aware, it is mandatory for all exporters to apply for registration/renewal/amendment of their RCMC through the e-RCMC module on the DGFT's portal www.dgft.gov.in

Accordingly, the 'Renewal of RCMC' process for 2024-2025 along with the payment of renewal subscription has to be made compulsorily at the DGFT portal only.

In this regard, please note that your Annual Renewal Subscription for the financial year 2024-2025 has become due for payment from 1st April 2024.

The Annual Renewal Subscription charges are as follows:

Type of Membership	Amount (Rs.)	GST @ 18%	Total Amount (Rs.)
Associate Member	Rs. 8,000/-	Rs.1,440/-	**Rs.9,440/-**
Ordinary Member	Rs. 14,000/-	Rs.2,520/-	**Rs.16,520/-**

You are requested to please renew your membership at the earliest.

Please ignore this email, if you have already renewed your membership for the year 2024-2025.

Steps for Renewal of Membership (Renewal of e-RCMC):

- Go to DGFT Website - https://www.dgft.gov.in
- Click on the Login button and log in by using your username and password
- Go to - Services >> e-RCMC >> Renewal of RCMC and click on 'Start Fresh Application'
- Choose the RCMC allotted to you by TEXPROCIL and click on 'Renew'
- Complete the details in each tab and go ahead by pressing "Save and Next"
- After filling up all the details in all the tabs, the payment of the renewal subscription option 'Payment of RCMC' will appear where you need to do the online payment and click on 'Submit' to submit the application.

Please feel free to contact us for any clarification or any guidance required from us by calling on 91-22-49444000 or sending emails to info@texprocil.org, rukshana@texprocil.org or smita@texprocil.org

Kindly renew your membership and allow us to serve you at our best.

Regards,

Dr. Siddhartha Rajagopal
Executive Director
:: TEXPROCIL ::

From:
The Cotton Textiles Export Promotion Council (TEXPROCIL)

Head Office
Engineering Centre, 5th Floor, 9, Mathew Road, Mumbai 400 004, India

Regional Office
712, Indra Prakash Building, 7th Floor, 21, Barakhamba Road,
New Delhi 110001, India

Printed at Onlooker Press, Mumbai 9321927244 www.onlookerpress.com