IBTEX No. 42 of 2025 March 26, 2025

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USD	EUR	GBP	JPY
85.81	92.55	110.98	0.57

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INTERNATIONAL NEWS

EU's Circular Economy Advancements on the Horizon

The textile sector's circular wheels have started turning, according to the European Apparel and Textile Confederation (Euratex), as a "major step" to implement the European Partnership for Textiles of the Future has been taken.

The European Commission and the European Technology Platform for the Future of Textiles and Clothing (Textile ETP) will ink a Memorandum of Understanding (MoU). Once finalized sometime over the next few days, per the Brussels-based organization, the partnership driving the 27 member states' circularity and innovation efforts will kick off in pursuit of "reinforcing Europe's strategic autonomy and global competitiveness."

"Innovation is the bridge between sustainability and competitiveness," Mario Jorge Machado, president of Euratex, said. "The Commission's decision is a welcome contribution, but it's only a starting point."

For context, the Partners for Textiles of the Future effort was established under the EU's key funding program, Horizon Europe, in alignment with the EU Strategy for Sustainable and Circular Textiles. The idea, according to Euratex, is for the partnership to "harness digital innovations and novel business models to strengthen Europe's leadership in sustainable textiles," per the Belgian platform, by "fostering research, innovation, and investment in environmentally friendly, resource-efficient and cost-competitive production practices."

"The launch of this dedicated EU research and innovation funding program for the textile sector is a testament to the persistent work of Textile ETP over many years, building up a strong European community of industry, research and higher education stakeholders and developing a positive future vision for this industry built on technology adoption and material, process and business model innovation," Marina Crnoja-Cosic, president of Textile ETP, said. "It is now up to us to demonstrate to the European Commission that their investment will generate a positive return through accelerated innovation in the sector and by a strong engagement and co-investment of industry, especially SMEs in the coming three years."

The EU Strategy for Sustainable and Circular Textiles, published in March 2022, prompted a proposal to adopt a mandatory textiles Extended Producer Responsibility (EPR) system. As it currently stands, this initiative—the European Partnership for Textiles of the Future—will work to drive the industry's aforementioned green transition directive. "The initiative will leverage digital innovations and new business models within the sector and enhance Europe's strategic autonomy," per the EC's statement. "At the same time, it will help to keep the industry competitive, resilient and sustainable in a rapidly changing global market."

That includes the EC's (and private partners) plan to invest up to roughly $39 million each (30 million pound) from 2025-2030 into the partnership, per the EC's statement. Euratex's statement alleged that the Commission (and private industry partners) would commit to investing up to about $77 million (60 million pound) from 2025-2030 in collaborative research and innovation projects. In any case, Textile ETP will co-lead this partnership, working with the EC as well as any (all?) European textile innovation stakeholders.

"Today, we take another important step forward in our commitment to strengthen Europe's industrial landscape," Stéphane Séjourné, the EC's executive vice president for prosperity and industrial strategy, said in a statement. "Our new partnership on the future of textiles brings together the Commission and industry to drive technological progress and sustainability across the sector. This initiative will accelerate the transition toward a stronger, more competitive and sustainable European textile industry." Following the official signing of the MoU will see the initiative's first funding opportunities introduced in the Horizon Europe Work Program 2025. That will be published in spring, with submission deadlines anticipated to close in early fall for the first projects to start in mid-2026.

"Additional resources should be made available under the new Multiannual Financial Framework, with a strong focus on Europe's manufacturing base—including textiles—and targeted support for clean technologies, skills, and infrastructure," Machado said of the EU's financial perspective. "Only then can we build a resilient, competitive and sustainable industrial future."

Source: sourcingjournal.com– Mar 25, 2025

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Maersk Plans $500 Million Upgrades for NY/NJ Port Terminal

Maersk is committing to the Port of New York and New Jersey for the long haul.

The logistics giant and the port's operator, the Port Authority of New York and New Jersey, have agreed to a 33-year lease extension for APM Terminals Elizabeth that goes through December 2062.

The proposed deal is not finalized and is subject to vote by the Port Authority board of commissioners on Thursday. The initial agreement was originally due to expire in 2029.

APM Terminals, which operates 53 terminals across 28 countries, will invest more than $500 million to enhance cargo handling capacity at its 350-acre terminal in Elizabeth, N.J., the second largest at the port system.

This investment supports the Port Authority's Port Master Plan 2050, which anticipates cargo volumes doubling or tripling at the NY/NJ port system from 2018 levels to between 12 million and 17 million containers by 2050.

APM Terminals Elizabeth currently handles over 25 percent of the annual container throughput in the port complex, supported by more than 1,100 members of the International Longshoremen's Association (ILA). The Elizabeth terminal has a current capacity of 2.3 million 20-foot equivalent units (TEUs) and 14 ship-to-shore cranes, each designed with a 23-container outreach.

As part of the agreement, the terminal operator has also committed to the replacement and maintenance of all wharf and berth structures. Planned upgrades include an optimized terminal layout, electrification of container handling equipment and future-proofing container berths.

"This agreement delivers long-term certainty for the port, its customers, and the entire supply chain," said Bethann Rooney, port director at the Port Authority of New York and New Jersey. "With APM Terminals' commitment through 2062, we are solidifying the Port of New York and New Jersey as a stable, reliable choice for shippers—one that is well-positioned to handle growing cargo demand while maintaining its reputation for world-class efficiency and service.”

APM Terminals’ investment is significant for the plans of the wider Port of New York and New Jersey, which is the busiest port on the East Coast. Often the first East Coast port of call for most trans-Atlantic container vessels, it handled approximately $264 billion worth of goods in 2024, moving 8.7 million TEUs. That marked an 11 percent increase over 2023.

Building on the Port Authority’s sustainability initiatives, APM Terminals has pledged to achieve net-zero greenhouse gas emissions in its operations and support the Port Authority’s goal of reaching net zero agency-wide by 2050. Under the new agreement, APM Terminals will invest in zero-emission cargo-handling equipment over the coming years.

The Maersk subsidiary has ponied up the big bucks to renovate the terminal in recent years. In 2021, APM Terminals completed a $200 million investment to modernize the terminal which included the addition of four new ship-to-shore cranes, upgraded IT systems and new truck gates. That investment, first unveiled in 2017, enabled the Elizabeth terminal to handle ultra-large container vessels exceeding 14,500 TEUs of capacity.

That investment also included the rollout of artificial intelligence-based technology designed to trigger a notification to the terminal safety team to respond to a trucker’s location once they step out of their truck.

With this lease extension, most of the Port of New York and New Jersey’s major tenants are now secured under long-term agreements—APM Terminals through 2062, Port Liberty Bayonne and New York through 2047 and Port Newark Container Terminal through 2050.

For APM Terminals, this follows a $73 million on-dock railroad expansion at the Port of Los Angeles’ Pier 400 last year, alongside the addition of three new ship-to-shore cranes. APM is currently in the fourth phase of its expansion of its terminal in the Port of Mobile, Ala., which is scheduled to be completed by the end of 2025. Under the agreement, the Alabama Port Authority and APM Terminals are adding 32 acres to the existing 134-acre facility.

Across all its North American terminals both under the APM banner and through joint ventures, Maersk saw a massive 20 percent jump in volume throughout the year, as a flurry of cargo entered the U.S. ahead of numerous uncertainties like the East and Gulf Coast labor negotiations and the implementation of tariffs by President Donald Trump.

The high volumes in North America and higher storage revenue from congestion made for healthy revenue and earnings gains in the segment. Overall terminals revenue jumped 16 percent for Maersk in 2024 to $4.5 billion on $1.3 billion in earnings before interest and taxes.

From 2020 to 2023, Maersk has invested roughly $3 billion to increase terminal capacity by a combined 30 percent globally.

Source: sourcingjournal.com– Mar 25, 2025

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Yarn Expo Shenzhen 2025 returns to strengthen South China's role as a textile hub

After attracting nearly 20,000 visitors from 45 countries and regions last year, Yarn Expo Shenzhen is set to return from 11 to 13 June 2025 at the Shenzhen Convention and Exhibition Center (Futian).

The event will once again reinforce South China's position as a key hub for textile innovation, supported by the region's strong infrastructure, expanded visa-free policies, and thriving apparel industry. Held alongside Intertextile Shenzhen and two other apparel shows, the expo will foster industry collaboration and showcase a wide range of in-demand yarns, fibres, and sustainable innovations.

A growing market and expanded global access

The global yarn, fibre, and thread market is projected to reach $138.7 billion by 2029, growing at a CAGR of 6.4 per cent, with Asia-Pacific holding the largest share. China's expansion of its visa-free policy, now covering 18 additional countries with extended 30-day stays further facilitates international business opportunities.

Positioned strategically in the Greater Bay Area (GBA), Yarn Expo Shenzhen serves as a major international sourcing platform, bridging the gap between domestic and global textile markets.

Highlighting the event's significance, Wilmet Shea, General Manager of Messe Frankfurt (HK) Ltd, stated, "Held in mid-summer between the Shanghai editions, Yarn Expo Shenzhen fosters a comprehensive industry dialogue in the vibrant South China region.

Its strategic positioning continues to drive advancements in sustainable practices and global collaboration." With an efficient supply chain and strong textile production base, the GBA offers promising prospects for continued business expansion and innovation.

Showcasing innovation across key textile sectors

Yarn Expo Shenzhen 2025 will feature seven specialized zones, including the Cashmere Yarn Zone, the Chemical Fibre Zone, the Cotton Yarn Zone, the Fancy Yarn Zone, the Linen Yarn Zone, the Wool Yarn Zone, and the

International Yarn Zone. Reflecting evolving industry trends, the fair will also highlight eco-friendly solutions through its New Green Fibre Materials display and fringe events focused on sustainability and innovation.

Past exhibitors have noted the expo's effectiveness in facilitating business growth. Mohsin Ghoniya from Global Tex, India, shared his positive experience: "Shenzhen has a vibrant knitting market, and our 20 carded knitting yarn is in high demand. The fair has helped us secure numerous orders from sweater manufacturers." Similarly, Xie Yongxian, Sales Manager of Foshan Anxin Fiber Technology Co Ltd, emphasized the rising demand for high-performance and eco-friendly fibres, stating, "Breakthroughs in textile development depend on raw material innovation, and this fair is an excellent platform to track industry progress."

A comprehensive platform for the textile industry

The 2025 edition of Yarn Expo Shenzhen will be held alongside Intertextile Shenzhen Apparel Fabrics, BIRD Fashion Fair, and PH Value, creating a comprehensive trade platform for the entire textile value chain. Organised by Messe Frankfurt (HK) Ltd, the Sub-Council of Textile Industry, CCPIT, China Cotton Textile Association, and China Chemical Fibers Association, the event aims to strengthen industry connections and inspire future advancements in textile manufacturing.

Source: fashionatingworld.com– Mar 25, 2025

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Global crackdown looms on duty-free fast fashion shipments from China

A global backlash is intensifying against the rapid proliferation of duty-free, low-value parcel shipments, predominantly originating from China's fast fashion hubs like Guangzhou. These shipments, which have increased exponentially in recent years, are facing scrutiny and regulatory changes in major markets, including the US, Europe, and other developing nations, while simultaneously, the rise of 'micro-sweatshops' continues to plague the industry.

US restrictions on certain goods

President Donald Trump recently ordered a halt to the duty-free entry of parcels valued up to $800 into the US, citing concerns over the unchecked flow of potentially dangerous goods, such as fentanyl. This move, temporarily suspended, to allow for the development of inspection protocols, signals a potential shift in international trade and could significantly impact e-commerce giants like Shein, Temu, and Amazon's Haul, which heavily rely on the "de minimis" exemption.

As per The New York Times report the de minimis rule, which allows low-value parcels to bypass customs inspections and tariffs, has led to the explosive growth of fast fashion, with duty-free shipments to the US increasing tenfold since 2016, reaching four million parcels per day last year. Similar shipments to the EU have grown to 12 million parcels daily.

The European Commission has also proposed ending duty-free treatment for packages worth up to €150, citing concerns about product safety, counterfeit goods, and unfair competition. And South Africa has imposed 45 per cent tariffs on all clothing imports, regardless of value, and Thailand has ended its sales tax exemption for low-value parcels.

Labor conditions in Guangzhou, Yiwu in focus

The heart of this industry lies in cities like Guangzhou and Yiwu, where networks of workshops and factories churn out inexpensive clothing, toys, and other goods for global consumers. Labor conditions within these workshops are often harsh, with workers like Wu Hua earning as little as $5 per hour, including overtime, for 10-hour workdays. They often reside in cramped living quarters above the factories.

Shein and Temu, major players in the de minimis industry, coordinate their supply chains from Guangzhou, collaborating with thousands of small factories across China. Shein, in particular, emphasizes its ability to connect consumers directly with manufacturers, minimizing the need for traditional retail infrastructure. However, some workshop owners are concerned about the demanding requirements and low prices offered by companies like Shein. They also face challenges due to rising labor costs and a shrinking pool of workers, as younger generations opt for higher education and less physically demanding jobs.

The if the US permanently ends the de minimis rule, imported apparel could face significant tariffs and customs processing fees, potentially disrupting the business models of e-commerce companies and impacting consumer prices. Shein claims their suppliers pay workers twice the local minimum wage, and Temu states that nearly 60 per cent of its US sales are now from domestic warehouses with tariffs paid. Thus the future of the de minimis industry remains uncertain as governments worldwide grapple with the challenges and implications of this rapidly evolving trade landscape.

Source: fashionatingworld.com– Mar 25, 2025

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UKFT Drops Supply Chain Responsibility Report

The UK Fashion and Textile Association (UKFT) has rallied the troops to strengthen the United Kingdom's social and compliance efforts as the UK works to boost domestic production and encourage responsible reshoring.

Produced by UKFT with support from UK Research & Innovation (UKRI) and the Circular Fashion Innovation Network (CFIN), the responsible supply chain report is informed by workshops with brands and retailers, textile and garment manufacturers, and social and ethical compliance experts.

The resulting "Responsible UK Fashion and Textile Supply Chains" report represents a "vital step" in the UK fashion and textile ecosystem's reshoring efforts, per the UKFT, compiling solutions and recommendations of relevance as required for UK manufacturing to "thrive" in both innovation and responsibility.

"By identifying key opportunities and practical solutions, we aim to create positive change that benefits manufacturers, brands and retailers alike," Adam Mansell, UKFT's CEO, said in the report. "As global supply chains undergo rapid changes, regulatory requirements grow and businesses aim for ambitious sustainability goals, the opportunities for UK fashion and textile manufacturing have never been greater."

Those opportunities lie in the industry's shortcomings, such as increased fragmentation, lack of standardized commercial knowledge and inaccessibility to information or platforms relevant to both buyers and manufacturers. For instance, the UKFT's 2023 sustainability survey alleged that 70 percent of UK-based manufacturers want to learn more about ethical compliance—and retailers agreed, noting the missing support and guidance manufacturers need to understand and implement regulations.

"Through extensive consultations with stakeholders across the UK fashion and textile supply chain, we have gathered valuable insights to help the industry improve social and ethical compliance practices in UK manufacturing which are outlined in this report," Mansell said. "This understanding is key to increasing domestic manufacturing capacity that can meet the evolving needs of the retail market, unlock new opportunities and address the unique challenges faced by UK manufacturers."

On the topic of that extensive stakeholder input, the report outlines opportunities across five domains: legislation and policy, training and education, tools and systems, incentives and funding, and demystifying standards. The idea, per the UKFT, is that its experience-shaped recommendations, "building on its commitment to ethical and sustainable practices," will help position the UK as a leader in responsible manufacturing.

"The benefits of domestic sourcing are clear: greater responsiveness, flexibility, a smaller carbon footprint and improved visibility into manufacturing environments," Mansell said. "By addressing the social and ethical compliance landscape, we can fully unlock these opportunities and drive positive growth for the manufacturing industry here in the UK."

The report was produced through the CFIN: an industry-led program led by the UK Fashion and Textile Association and the British Fashion Council in partnership with UK Research and Innovation. It, therefore, falls under the network's sustainable manufacturing pillar, which was established to support the industry in reducing the environmental impact (see: waste) from the UK's production processes.

"We know that brands and retailers are increasingly looking into local manufacturing solutions," Mansell said. "And UK manufacturers are exploring ways to expand production and increase capacity."

Source: sourcingjournal.com– Mar 25, 2025

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German business sentiment improves as recovery hopes rise: ifo

Sentiment among German companies has improved, according to the latest ifo Business Climate Index, which rose to 86.7 points in March from 85.3 in February.

The uptick suggests growing optimism across the business landscape, with companies expressing greater satisfaction with their current situation and more hopeful expectations for the future, ifo said in a press release.

The manufacturing sector saw a notable improvement in sentiment. Expectations, previously marked by scepticism, have become significantly more positive. Firms also reported better assessments of their current business situation, although order books declined slightly.

The trade sector also contributed to the overall uplift. Traders were markedly less pessimistic about the months ahead and reported modest improvements in their current conditions.

Source: fibre2fashion.com– Mar 26, 2025

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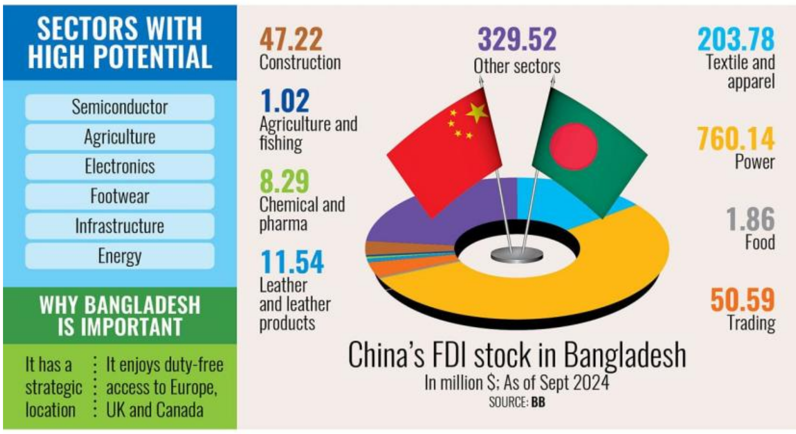
Bangladesh sees rising Chinese investment amid trade shifts

Foreign direct investment (FDI) from China in Bangladesh has risen to $2.67 billion as of September 2024, according to official data, cementing China's position as the country's second-largest investor.



This FDI stock includes $1.41 billion from mainland China and $1.26 billion from Hong Kong, according to the Bangladesh Bank (BB), reflecting a broader effort by Chinese firms to diversify amid the US-China trade war.

Bangladesh, with its low-cost labour and expanding industrial base, has emerged as an attractive destination for Chinese companies seeking alternatives to traditional manufacturing hubs.

The textile sector, a pillar of Bangladesh's export economy, has received the largest share of Chinese FDI, totalling $760.14 million. The telecommunications sector has also drawn substantial Chinese investment, with $322.45 million funnelled into expanding 4G and 5G networks.

Beyond these core industries, Chinese capital is flowing into agriculture, energy and pharmaceuticals, strengthening Bangladesh's infrastructure and supply chains.

The trading sector alone has attracted $203.78 million, according to BB data, modernising logistics and enhancing the country's global competitiveness.

Experts say these investments could increase further if Bangladesh creates a more business-friendly environment, making it a prime beneficiary of shifting global trade dynamics.

"By developing infrastructure and fostering a business-friendly environment, Bangladesh can attract more Chinese investment, especially in sectors like electronics, textiles and agriculture," said Al Mamun Mridha, secretary general of the Bangladesh China Chamber of Commerce and Industry (BCCCI).

Mridha said the trade war has opened up several opportunities for Bangladesh as Chinese companies look to relocate, especially in the semiconductor industry.

He also highlighted emerging opportunities in agriculture as shifting trade relations increased demand for alternative sources.

Bangladesh's garments and footwear sectors, he said, have great potential, citing Vietnam's rapid progress as an example. Tapping into the sneaker and footwear market could boost exports.

The BCCCI secretary general said other promising sectors include electronics, the blue economy and fisheries.

Advanced technology in fish exports, he added, could enhance Bangladesh's global competitiveness.

Mustafizur Rahman, a distinguished fellow at the Centre for Policy Dialogue (CPD), said that while China is investing heavily in Vietnam and Cambodia, Bangladesh has yet to attract the same level of commitment.

However, he said the ongoing trade war and evolving global economic conditions have made Bangladesh a viable option for Chinese investors, provided the country seizes the opportunity.

Although Chinese investments are present, Bangladesh has not fully capitalised on its potential. "For instance, we built the Karnaphuli Tunnel, but the special economic zone for China in Chattogram's Anwara is yet to be fully developed," Rahman pointed out.

If China expands its investments, its companies could manufacture in Bangladesh and export not only to China but also to other markets, including the US, minimising the impact of high tariffs, he added.

The US government has imposed an additional 10 percent tariff on Chinese goods recently, limiting market access of "Made in China" products to the American market.

Rahman said that Bangladesh's duty-free access to Europe, the UK and Canada presents a significant advantage in this regard. Chinese firms could use the country as a gateway to these markets, he said, but attracting greater investment requires an improved business climate and the removal of regulatory barriers.

Riad Mahmud, managing director of National Polymer Group and a non-leather shoe exporter, said that while his company has not yet received investment proposals from China, US buyers have begun inquiring about factory capacity and compliance, often with the assistance of Chinese firms. Since Bangladesh does not have a dedicated buying house for synthetic shoes, Mahmud said, the industry, less mature than those in China and Vietnam, depends on Chinese companies to access the US market.

He added that both Chinese firms and US buyers increasingly view Bangladesh as a viable alternative to China, leading to a rise in buying inquiries and fresh opportunities for the country. Meanwhile, the construction of the Chinese Economic and Industrial Zone (CEIZ) in Chattogram has yet to begin, though the Bangladesh Economic Zones Authority (Beza) initiated the project nine years ago to attract foreign investment.

However, there is a possibility of discussions to expedite its implementation during the tenure of the interim government. Besides, Beza is eager to secure approval for the CEIZ's detailed project plan from the Executive Committee of the National Economic Council (ECNEC), according to sources.

Beza has reported a steady rise in Chinese investment in export processing zones. Between July 2024 and March 2025, 29 investment agreements have been finalised, 19 of which involve Chinese companies. This growing interest underscores Bangladesh's potential to attract further foreign investment and drive economic growth.

Source: thedailystar.net – Mar 26, 2025

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NATIONAL NEWS

Government Implements Comprehensive Measures to Boost Exports and Strengthen Trade Competitiveness

The Government has taken various proactive measures aimed at enhancing domestic capacities, boosting exports, diversifying supply chains, exploring alternate sources of imports and fostering economic resilience. Several key initiatives and policy measures undertaken by the Government to boost exports, attract investments and to promote ease of doing business from time to time are as follows-

1. The Foreign Trade Policy effective from April 01, 2023 is designed to integrate India more effectively into the global market, improve trade competitiveness, and establish the country as a reliable and trusted trade partner.
2. Establishment of 65 Export Facilitation Centres (EFCs) across the country with an aim to provide requisite mentoring and handholding support to exporters especially MSMEs in exporting their products and services to foreign markets.
3. Assistance being provided through several schemes to promote exports, namely, Trade Infrastructure for Export Scheme (TIES) and Market Access Initiatives (MAI) Scheme.
4. The Rebate of State and Central Levies and Taxes (RoSCTL) Scheme to promote labour- oriented certain items of textiles sector export has been implemented since March 07, 2019.
5. Remission of Duties and Taxes on Exported Products (RoDTEP) scheme has been implemented since January 01, 2021. The benefit of RoDTEP scheme had also been extended to sectors like steel, pharma and chemicals with effect from December 15, 2022 to enhance export competitiveness of these sectors. Currently, 10,642 tariff lines (8-digit ITC(HS) Codes) are covered under this Scheme. The budget allocation for RoDTEP Scheme for the current financial year 2024-25 is Rs. 16,575 crores. The benefits of the RoDTEP scheme have also been extended to exports from Domestic Tariff Area (DTA) units till September 30, 2025.
6. A Common Digital Platform for Certificate of Origin has been launched to facilitate trade and increase Free Trade Agreement (FTA) utilization by exporters.

7. Districts as Export Hubs initiative had been launched by identifying products with export potential in each district, addressing bottlenecks for exporting these products and supporting local exporters/manufacturers to generate employment in the district.
8. The Government has launched the Trade Connect e-Platform as an information and intermediation platform for international trade bringing together Indian Missions Abroad and officials from Department of Commerce and other organisations to provide comprehensive services for both new and existing exporters.
9. Active role of Indian missions abroad towards promoting India's trade, tourism, technology and investment goals has been enhanced. Regular monitoring of export performance with Commercial Missions abroad, Export Promotion Councils, Commodity Boards/Authorities and Industry Associations is being done and corrective measures are being taken from time to time.
10. With the changing trade scenario, India is moving towards having Preferential/Free Trade Agreements (PTA/FTA) wherein customs tariffs and non-tariff barriers are reduced or eliminated on substantial trade items between the PTA/FTA members. At present, India is a member of 13 FTAs and 9 PTAs apart from the negotiations with the EU, the UK, and Oman.

This information was given by the Minister of State for the Ministry of Commerce & Industry, Shri Jitin Prasada, in a written reply in the Lok Sabha today.

Source: pib.gov.in– Mar 25, 2025

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S&P cuts India's FY26 GDP growth forecast to 6.5%

S&P Global Ratings on Tuesday cut India's GDP growth projections to 6.5 per cent for the next fiscal as it expects that economies in the APAC region will feel the strain of rising US tariffs and pushback on globalisation.

In its Economic Outlook for Asia-Pacific (APAC), S&P said despite these external strains, it expects domestic demand momentum to remain solid in most emerging-market economies.

"India's GDP will grow 6.5 per cent in the fiscal year ending March 31, 2026, we expect. Our forecast is the same as the outcome for the previous fiscal year, but less than our earlier forecast of 6.7 per cent," S&P said.

The forecast assumes that the upcoming monsoon season will be normal and that commodity prices—especially crude—will be soft.

Cooling food inflation, the tax benefits announced in the country's budget for the fiscal year ending March 2026, and lower borrowing costs will support discretionary consumption in India, S&P said.

The global credit rating agency expects central banks in the Asia Pacific region to continue cutting benchmark interest rates through this year.

"The Reserve Bank of India will cut interest rates by another 75 bp-100 bp in the current cycle, we project. Easing food inflation and lower crude prices will move headline inflation closer to the central bank target of 4 per cent in the fiscal year ending March 2026 and fiscal policy is contained," S&P said.

Last month, the Reserve Bank of India (RBI) has reduced the repo rate by 25 basis points from 6.50 per cent to 6.25 per cent in its monetary policy review.

S&P said Asia-Pacific economies will feel the strain of rising US tariffs specifically and a pushback on globalisation more generally.

However, we see domestic demand momentum broadly holding up, especially in the region's emerging-market economies.

"Given the volume of policy measures and external pressures hitting Asia-Pacific, the robustness of our forecasts underscores the resilience of the regional economies," it added.

S&P said that the Donald Trump administration in the US is changing economic policy in key areas.

Domestically, immigration reduction, deregulation and cuts to taxes and government spending are in focus.

Externally, US import tariffs are rising across the board. So far the new US government has imposed an additional 20 per cent tariff on imports from China; 25 per cent levies on some imports from Canada and Mexico, with levies on other products postponed for a month; and a global 25 per cent tariff on steel and aluminium.

The US has also announced an intention to impose "reciprocal tariffs" and tariffs on cars, semiconductors and pharmaceuticals.

In our view, the import tariffs will lower growth in the US and abroad, and raise US inflation.

"We now expect the US Federal Reserve to cut its policy rate by 25 basis points (bp) only one time in 2025, in the end, and make three such cuts in 2026.

"The heightened uncertainty about US economic policy and its impact, notably around tariffs, is weighing on investment in the US and elsewhere," S&P said.

Source: thehindubusinessline.com– Mar 25, 2025

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Textile industry sets $100 billion export target by 2030, seeks policy boost

The textile and apparel industry has worked out a five-point agenda to achieve a target of $100 billion in exports by 2030.

The industry has asked to ensure

The industry has asked to remove 10% import duty from cotton fibres of all varieties to enhance the cost competitiveness of the entire cotton value chain. The latest estimate of the cotton balance sheet by the government shows a demand-supply gap of about 38 lakh bales for the current year, and hence, there is a dire need to allow duty-free imports.

The industry felt that the government should announce an incentivization scheme with a mix of an upfront capital subsidy and performance-based incentives to catalyze investment across the value chain. A special focus may be put on the processing sector in this regard. They also urged to fast-track the implementation of the PM MITRA parks.

The industry also felt the need to expedite FTAs with markets like EU and USA which will provide Indian exporters a level playing field with its competitors.

The textile and apparel industry also said that there should not be a further increase in GST rates for ready-made garment products.

As per the quick estimates released by the Ministry of Commerce, India's exports of textile & apparel from April 24 to February 25 stand at about US$ 33.2 bn, which is about 7.2% higher than the growth rate of a similar period of last year. Based on this it is estimated that India's T&A exports are likely to reach about US$ 37-39 bn for the year 2024-25.

To achieve the ambitious target of US$ 100 billion in exports by 2030 from the present level, India's T&A sector must register a compound annual growth rate (CAGR) of approximately 18% for the period 2025-2030.

Source: economictimes.com– Mar 25, 2025

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Government Initiatives Aim to Make India a Preferred Cotton Supplier for Global Brands

"Our goal is to enhance yield per acre and improve processing quality so that international brands sourcing cotton at any stage of the value chain from India become buyers for a lifetime." Textile Commissioner, Ministry of Textiles, Government of India, Ms. Roop Rashi, stated this in Press Conference in Mumbai today. She highlighted the key developments in the cotton sector and shared insights on cotton production, trade, and initiatives aimed at enhancing productivity and quality.

The media briefing followed the second meeting of the Committee on Cotton Production and Consumption (COCPC) for the Cotton Season 2024-25, which was chaired by the Textile Commissioner earlier today. The meeting saw participation from representatives of the Central Government, State Governments, Textile Industry, Cotton Trade, and the Ginning & Pressing Sector.

While addressing the media, Ms. Roop Rashi, Textile Commissioner, highlighted the government's continued emphasis on the textile sector, stating: "As we all know, textiles are a key focus area for development by the Government of India. In this regard, the Union Budget has announced the Technology Mission on Cotton to drive growth and innovation in the sector."

She further emphasized the importance of cotton as a premier fiber and a crucial contributor to the textile value chain. Continuous assessment at the field office level, in collaboration with stakeholders, ensures that the industry's strengths and evolving requirements are effectively addressed.

The Textile Commissioner expressed confidence that the cotton textile value chain will continue to generate strong returns for all stakeholders, driven by a focus on productivity and quality. She highlighted key initiatives to enhance cotton quality, including:

✅ Branding under "Kasturi" to establish India's cotton as a premium global product.

✅ Improved ginning processes to maintain superior fiber quality.

✅ Collaboration with the Ministry of Agriculture to boost production through HDPS (High-Density Planting System) and advanced farming techniques.

Chairman-cum-Managing Director, The Cotton Corporation of India Ltd., Shri Lalit Kumar Gupta, also shared insights on the various initiatives undertaken by the Government of India to increase yield and productivity.

He highlighted the Akola Model, which promotes best farm practices by replicating high-yield agricultural patterns. "Various departments, including the Ministry of Agriculture, NABARD, State Government agencies, have come together to support this model, which requires a high quantity of quality seeds. The initiative is being piloted in Akola. If successful, this model can be extended to other farmers across the country to enhance overall productivity," he stated.

Director, Office of the Textile Commissioner, Mumbai, Shri Sourabh Kulkarni was also present during the Press Conference.

During the meeting, a comprehensive review of the cotton scenario was undertaken, covering state-wise area, production, import, export, and consumption trends. The Committee assessed current production, import, and export trends, concluding that India will have adequate cotton availability as a raw material for the textile industry in the upcoming season.

The State-Wise Area, Cotton Production and the Balance Sheet drawn by the Committee on Cotton Production and Consumption for the Cotton Season 2023-24 and 2024-25 is enclosed. (click here for more details)

Source: pib.gov.in– Mar 24, 2025

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India’s cotton panel pares output demand for 2024-25

The Committee on Cotton Production and Consumption (COCPC) has pared the cotton crop projections by 1.67 per cent to 294.25 lakh bales (170 kg) in its second estimates following a decline in yields and output in Gujarat, the largest producing State. COCPC initially projected the crop at 299.26 lakh bales for the current 2024-25 season in November last year.

COCPC met on Monday and finalised its latest estimates for fibre crop for the year 2024-25 (October-September).

Cotton Balance Sheet (in lakh bales of 170 kg each)

	2024-25(p)	2023-24 (p)
Supply		
Opening Stock	47.10	61.10
Crop	294.25	325.22
Import	25.00	15.20
Total	**366.35**	**401.58**
Demand		
Non-MSME Consumption	210.00	214.83
MSME Consumption	92.00	95.29
Non Textile Consumption	16.00	16.00
Export	18.00	28.36
Total	**336.00**	**354.48**
Closing Stock	30.35	47.10

As estimated by COCPC in its meeting held on March 24, 2025

As per the second estimates, the production in Gujarat will be lower at 71.34 lakh bales, down 15 per cent from initial projections of 84.01 lakh bales. This is mainly because of lower yield, estimated at 507 kg per hectare compared with the earlier estimate of 597 kg per hectare. Yields were impacted by the adverse climatic condition during the cropping season.

Other States

However, in Maharashtra, the second largest producer, higher yields will likely lift the output to 89.09 lakh bales, up 5 per cent from the earlier projection of 84.01 lakh bales. In Maharashtra, the yields are projected to improve to 370.66 kg per hectare from the earlier forecast of 352 kg. Favourable weather condition is aiding the crop in Maharashtra and also in Telangana. In Madhya Pradesh also, the output is estimated marginally higher at 15.35 lakh bales (14.12 lakh bales from earlier projections).

In the Central Zone comprising Gujarat, Maharashtra and Madhya Pradesh, the output has been estimated lower at 175.75 lakh bales (182.93 lakh bales).

In Telangana, the output is seen increasing marginally to 49.86 lakh bales (48.95 lakh bales), while in Karnataka it could increase to 19.15 lakh bales (18.56 lakh bales). In Andhra Pradesh, the output has been estimated to decline marginally to 8.77 lakh bales (9.41 lakh bales), while in Tamil Nadu it is seen marginally up at 1.30 lakh bales (1.09 lakh bales). Overall, the production is projected a tad higher in the South Zone at 79.08 lakh bales (78.01 lakh bales).

Lower closing stocks

Similarly, in North Zone, the output is seen marginally higher at 33.61 lakh bales (33.05 lakh bales), mainly due to higher output in Haryana at 12.44 lakh bales (10.23 lakh bales) and Punjab at 2.72 lakh bales (2.40 lakh bales). However, in Rajasthan, the output is seen lower at 18.45 lakh bales (20.42 lakh bales).

As per the balance sheet drawn up by COCPC, the closing stocks for the year ending September 2025 will likely be lower at 30.35 lakh bales (47.10 lakh bales).

COCPC estimates a muted demand for cotton from the both non-MSME and MSME segments. Overall demand is seen lower at 336 lakh bales against 354.48 lakh bales in the previous season. In its earlier estimates in November last year, COCPC had pegged the demand at 344 lakh bales.

Exports have been projected lower at 18 lakh bales (28.36 lakh bales in the previous year), while imports are seen rising to 25 lakh bales, up from 15.20 lakh bales. Prices will likely be bearish on muted demand and with the global trend also weighing on the domestic market.

Source: thehindubusinessline.com– Mar 25, 2025

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Industrial goods tariffs be India's focus during trade talks with US: GTRI

India must remain focused on negotiating only industrial goods tariffs during the upcoming talks with Assistant US Trade Representative Brendan Lynch this week, Delhi-based think tank Global Trade Research Institute (GTRI) said on Tuesday.

Lynch, along with a team of US government officials, is in India for a five-day visit, starting March 25 for meetings with the Indian side, as part of the ongoing bilateral trade discussions between the two countries. The discussions will hammer out the details of the proposed bilateral trade agreement (BTA), with the aim to finalise the contours of the deal.

Both sides hope to finalise the first tranche of the agreement by the fall of 2025. It recommended that India should eliminate tariffs on 90 per cent of industrial tariff lines, if the US does the same. This strategy would cover over 90 per cent of India-US bilateral merchandise trade.

It further recommended that India should not engage in discussions around intellectual property, digital trade, agricultural tariffs or subsidies, or government procurement.

That apart, talks about easing regulations for US giants like Tesla, Starlink, Amazon, and American pharma firms raise serious concerns around national security, IPR, and the long-term impact on Indian businesses, it stated.

Last month, India tried to address US President Donald Trump's concerns by cutting basic customs duties on a bunch of items in its Union Budget, as well as on bourbon whiskey before Prime Minister Narendra Modi's meeting with Trump.

"India's recent unilateral reduction of tariffs on US products like whiskey and motorcycles has gone unacknowledged by the US side," it said.

In another report, GTRI said that India must be cautious while negotiating the proposed BTA with the US since the absence of 'Fast Track Trade Authority' (FTTA) in America makes any pact vulnerable to Congressional changes.

FTTA is a special power that the US Congress gives to the president to help speed up and simplify trade negotiations with other countries. However, the US currently lacks FTTA.

"In addition, the US uses a one-sided certification process pressurising the partner countries after a trade deal is signed. These two factors create serious uncertainty. They can allow the US to change the deal later or demand more than what was originally agreed," the report said.

It also said that the absence of FTTA exposes any finalised agreement to unpredictable legislative intervention in Washington.

"As negotiations continue, the path forward demands not only diplomatic skill, but also vigilance against legal asymmetries embedded in America's trade playbook. Without Fast Track Authority in place and with the precedent of post-agreement certification allowing the US to impose additional demands, the risk of asymmetric obligations is real," it said.

Source: business-standard.com– Mar 25, 2025

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11,000 exporters avail benefits under interest equalisation scheme: Govt

The government on Tuesday said about 11,000 exporters avail the benefits under the interest equalisation scheme to get credit at concessional interest rates.

Interest equalisation has been an important policy instrument, especially for MSME exporters, for bringing down the higher cost of credit incurred by Indian exporters vis-a-vis their foreign competitors, Minister of State for Commerce and Industry Jitin Prasada said in a written reply to the Lok Sabha.

In India, the repo rate stands at about 6.25 per cent, with exporters bearing interest rates ranging between 8 to 12 per cent or even more, depending on the spread and risk assessment of the borrower by the Authorised Dealer Banks.

In competing countries, the interest rate is very low. For instance, the central bank rate in 2025 is 3.1 per cent in China, 3 per cent in Malaysia, 2 per cent in Thailand, and 4.5 per cent in Vietnam.

"Approximately, 11,000 exporters avail the benefits under the scheme," he said.

Up to June 30, the scheme covered all exports made by Micro, Small and Medium Enterprises (MSMEs) at 3 per cent interest equalisation or subvention, and 410 identified product categories at 2 per cent.

From July 1, 2024, onwards, the scheme has been partially extended till December 31, 2024, for MSME manufacturer exporters with a value cap of Rs 50 lakhs per exporter.

"Presently, Interest Equalisation has been merged under the Export Promotion Mission in which a budgetary allocation of Rs 2,250 crore has been made," Prasada said, adding the government is undertaking stakeholder consultation with regard to the mission.

The focus is on facilitating easy access to export credit, cross-border factoring support, and backing MSMEs to tackle non-tariff measures in overseas markets.

In a separate reply, he said a cumulative incentive amount of Rs 13,029 crore has been disbursed till December 2024 under PLI (production linked incentive) scheme for nine sectors, including Large Scale Electronics Manufacturing, IT Hardware, Bulk Drugs, Medical Devices, Pharmaceuticals, Telecom & Networking Products, Food Processing, White Goods, and Drones.

Source: business-standard.com– Mar 25, 2025

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India eyes tariff cut on $23 bn of US imports, to shield $66 bn in exports, sources say

India is open to cutting tariffs on more than half of U.S. imports worth $23 billion in the first phase of a trade deal the two nations are negotiating, two government sources said, the biggest cut in years, aimed at fending off reciprocal tariffs.

The South Asian nation wants to mitigate the impact of U.S. President Donald Trump's reciprocal worldwide tariffs set to take effect from April 2, a threat that has disrupted markets and sent policymakers scrambling, even among Western allies.

In an internal analysis, New Delhi estimated such reciprocal tariffs would hit 87% of its total exports to the United States worth $66 billion, two government sources with knowledge of the matter told Reuters.

Under the deal, India is open to reducing tariffs on 55% of U.S. goods it imports that are now subject to tariffs ranging from 5% to 30%, said both sources, who sought anonymity as they were not authorised to speak to the media.

In this category of goods, India is ready to "substantially" lower tariffs or even scrap some entirely, on imported goods worth more than $23 billion from the United States, one of the sources said.

India's trade ministry, the prime minister's office and a government spokesperson did not reply to mail seeking comments.

Overall the U.S. trade-weighted average tariff has been about 2.2%, data from the World Trade Organization shows, compared with India's 12%. The United States has a trade deficit of $45.6 billion with India.

During Prime Minister Narendra Modi's U.S. visit in February, the two nations agreed to start talks towards clinching an early trade deal and resolving their standoff on tariffs.

New Delhi wants to strike a deal before the reciprocal tariffs are announced and Assistant U.S. Trade Representative for South and Central Asia Brendan Lynch will lead a delegation of officials from United States for trade talks from Tuesday.

The Indian government officials warned that cutting tariffs on more than half of U.S. imports hinges on securing relief from reciprocal tax.

The tariff cut decision was not final, with other options under discussion such as sectoral adjustments of tariffs and product-by-product negotiations rather than a wide cut, said one of the officials.

India is also considering wider tariff reform to lower barriers uniformly, but such discussions are in early stages and might not figure immediately in talks with the United States, said one of the officials.

Even though Modi was among the first leaders to congratulate Trump on his election victory in November, the U.S. president has continued to call India a "tariff abuser" and "tariff king", vowing not to spare no nation from tariffs.

New Delhi estimated increases of 6% to 10% in tariffs on items such as pearls, mineral fuels, machinery, boilers and electrical equipments, which make up half its exports to the United States, due to reciprocal tax, both sources said.

The second official said the $11 billion worth of pharmaceutical and automotive exports may see the most disruptive impact due to reciprocal tariff, given their dependence on the U.S. market.

The new tariffs could benefit alternative suppliers like Indonesia, Israel and Vietnam, the official added.

To ensure political acceptance by Modi's allies and the opposition, India has set clear red lines for the negotiations.

Tariffs on meat, maize, wheat and diary products that now range from 30% to 60%, are off the table, a third government official said. But those on almonds, pistachio, oatmeal and quinoa may be eased.

New Delhi will also push for phased cuts in automobile tariffs, now effectively more than 100%, a fourth official said.

India's tightrope walk on the matter was highlighted by comments its trade secretary made to a parliamentary standing committee on March 10 and remarks by U.S. Commerce Secretary Howard Lutnick.

India did not want to lose the United States as a trading partner, Sunil Barthwal told the committee, but vowed at the same time, "We will not compromise on our national interest," according to two people who attended the closed-door meeting.

Lutnick asked India to "think big" after it cut tariffs on high-end motorcycles and bourbon whisky this year.

"To date, the Modi government has shown little appetite for sweeping tariff cuts of the kind Trump is seeking," said Milan Vaishnav, an expert on South Asian politics and economy at the Carnegie Endowment for International Peace think-tank.

"It is possible the Modi government could use external pressure from the Trump administration

Source: economictimes.com– Mar 25, 2025

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ATEXCON: Asian textile leaders call for collaboration to revive growth

Asian textile giants such as India, China, Vietnam, Bangladesh and others must focus on collaboration to unlock the vast potential of the global textile and apparel market. Industry experts and leaders from India and other Asian countries emphasised the need to redefine their roles in the global market during the Twelfth Asian Textile Conference (ATEXCON), held in Mumbai today.

Themed 'Asia Steering Global Growth', the ATEXCON conference was organised by the Confederation of Indian Textile Industry (CITI). Rakesh Mehra, chairman of CITI, said during the theme session, "Asian textile and apparel exporting countries like India, China, Bangladesh, Vietnam, Sri Lanka and Indonesia have distinct strengths. Despite the vast potential, Asia's growth has stagnated in recent years. We must collaborate to utilise our strengths."

He added that Asian nations must focus on increasing both volume and value addition. India and China have a strong textile industry base for producing raw materials for downstream sectors.

Bangladesh and Vietnam possess expertise in garment manufacturing, while Indonesia excels in innovation and technical textiles.

Mehra emphasised that Asia could overcome stagnation and embark on a path of growth if textile-producing countries unlock their full potential.

Bui Trung Thuong, trade counsellor and head of the trade office at the Embassy of Vietnam in New Delhi, said that Vietnam and India have significant potential for collaboration. His country is seeking to diversify its sourcing of cotton fibre, yarn and fabric.

He stated, "We are more dependent for raw materials on China. India can supplement our requirement by exporting the raw material."

The Vietnamese diplomat noted that Vietnam has a strong base and a competitive workforce in the garment industry and requires cotton fibre, yarn and fabric from other countries.

Thuong suggested collaboration in the areas of innovation, textile dyeing and finishing, and wastewater management. He proposed setting up a joint venture in Vietnam for textile dyeing and finishing processes. India, he said, possesses the expertise and technology for wastewater treatment, which his country urgently needs. Vietnam is also seeking a textile innovation fund that could support the textile industries of both nations.

Ashwin Chandran, deputy chairman of CITI, said that the Asian textile industry is redefining itself to steer global growth through innovation and a focus on sustainability.

Asian textile companies are investing in sustainability, circularity and innovation in response to the changing global landscape. He stressed the need for investment in innovative technologies and digitisation for transformation. The global supply chain is rapidly evolving and Indian industry can grow through a collaborative approach and become future-ready.

The conference was attended by dignitaries and delegates from India and other leading Asian textile nations. The theme session was followed by additional sessions on Strategies for Changing Landscape – Trade Dynamics & Policy Shifts, Technological Disruptions & Digitization, Expanding Role of Technical Textiles, and Future of Fashion and Consumer Trends.

Source: fibre2fashion.com– Mar 25, 2025

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INDA urges permanent tariff exemptions for USMCA products

INDA, the Association of the Nonwoven Fabrics Industry issued the following statement on executive orders imposing significant tariffs on products from Canada and Mexico:

Last month, President Trump instituted significant tariffs on products from Canada and Mexico. While products that fall under the United States-Mexico-Canada Agreement (USMCA) have been excluded from these new tariffs to date, it has been reported that these exclusions may end in early April.

The nonwovens industry contributes to nearly $100 billion in economic output through sales to end users in North America. According to the National Association of Manufacturers, thanks to the USMCA: "one-third of critical U.S. manufacturing inputs now come from Canada or Mexico, rather than from competitors that often engage in unfair trade practices."

At a time when manufacturers are facing cost pressures from many angles, it is imperative that American manufacturers remain competitive globally and have long-term clarity on import costs. As such, we urge President Trump to make the tariff exemption for USMCA products permanent and are ready and willing to work with the White House to promote a balanced trade policy.

Source: fibre2fashion.com– Mar 25, 2025

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Companies with payments due to micro & small enterprises beyond 45 days need to file half-yearly returns

The Government has directed all companies to file a half-yearly return regarding delay in payments to micro and small enterprises beyond 45 days, a gazette notification said.

As on March 26, 2025, the MSME Samadhaan portal had over 97,000 applications of MSE (Micro and Small Enterprises) related to pending dues aggregating to over ₹21,600 crore. The amount includes dues from Central Ministries/ Departments such as the Railways, Public Sector Enterprises, State Governments and individuals.

"In exercise of powers conferred by Section 9 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), and read with Section 15 of the said Act, the Central Government hereby directs all companies who get supplies of goods or services from micro and small enterprises and whose payments to micro and small enterprise suppliers exceed forty-five days from the date of acceptance or the date of deemed acceptance of the goods or services as per the provisions of the said Act, shall submit a half-yearly return to the Ministry of Corporate Affairs stating the following: (a) the amounts of payments due; and (b) the reasons for the delay," the notification dated March 25 said.

According to the MSMED Act, 2006, the buyer is liable to pay compound interest with the monthly rests to the supplier on the amount at three times the bank rate notified by RBI in case he does not make payment to the supplier for his supplies of goods or services within 45 days of the acceptance of the goods/ service rendered.

The Act also prescribes State Governments to establish a Micro and Small Enterprise Facilitation Council (MSEFC) for settlement of disputes on getting references/ filing on delayed payments.

Micro and Small Enterprises (MSEs) can file applications regarding delayed payments on MSME Samadhaan, which is a government portal. Once filed, the application is forwarded to the concerned Micro and Small Enterprise Facilitation Council (MSEFC) established by the State/ UTs. Action on applications regarding delayed payments is taken by the concerned MSEFC only.

As per the provisions of the MSMED Act, 2006 and the Supreme Court judgement, the benefits of MSME registration cannot be taken retrospectively. Hence, prior registration of the enterprise before the date of disputed invoice is mandatory for filing an application.

The issue relates to delayed payments for MSE, highlighted in a big way in the Union Budget of 2023-24, when Finance Minister Nirmala Sitharaman said: “To support MSMEs in timely receipt of payments, I propose to allow deduction for expenditure incurred on payments made to them only when payment is actually made.” Accordingly, Finance Act 2023 inserted a new clause in Section 43B of the Income Tax Act that prescribes that companies not making payments to micro and small enterprises during a fiscal year will have to wait for a full year for deductions under the IT Act.

On July 15, 2024, the Corporate Affairs Ministry added a proviso in the Specified Companies (Furnishing of information about payment to micro and small enterprise suppliers) Order, 2019. It prescribes that “only those specified companies which have payments pending to any micro or small enterprise for more than 45 days from the date of acceptance or the date of deemed acceptance of goods or services under Section 9 of the Micro, Small and Medium Enterprises Development Act, 2006, shall furnish the information in MSME Form-1.”

Source: thehindubusinessline.com– Mar 26, 2025

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South Indian cotton yarn trade gains momentum, prices up in Mumbai

Cotton yarn prices gained a further ₹2–3 per kg in the Mumbai market as positive momentum continued in the south Indian cotton yarn trade following the recent rise in cotton prices. However, the Tiruppur market still witnessed stability in cotton yarn prices amid higher demand from the fabric manufacturing industry. Market experts said that the current optimism in the cotton yarn trade was primarily driven by gains in cotton prices. Mumbai trade sources noted that demand from power and auto looms also improved over the past couple of days. This trend is expected to continue over the next few weeks. ICE cotton recovered today after a downward trend on Monday. The natural fibre traded steadily today in the Gujarat market as demand slowed following the recent price rise.

The Mumbai market witnessed an increase in cotton yarn prices, with prices rising by ₹2–3 per kg in a few counts and varieties of cotton yarn. The market saw improved demand, as the recent rise in cotton prices encouraged yarn buying. A trader from the Mumbai market told Fibre2Fashion, "Although the market is still facing payment issues, the increase in cotton prices has motivated yarn buyers. Power looms and auto looms are purchasing yarn to ramp up production. Strong buying from looms may continue for the next couple of weeks."

In Mumbai, 60 carded yarn of warp and weft varieties were traded at ₹1,390-1,415 (approximately $16.21-$16.50) and ₹1,335-1,375 per 5 kg (approximately $15.57-$16.04) (excluding GST), respectively. Other prices include 60 combed warp at ₹319-323 (approximately $3.72-$3.77) per kg, 80 carded weft at ₹1,370-1,430 (approximately $15.98-$16.68) per 4.5 kg, 44/46 carded warp at ₹266-271 (approximately $3.10-$3.16) per kg, 40/41 carded warp at ₹252-258 (approximately $2.94-$3.01) per kg and 40/41 combed warp at ₹268-272 (approximately $3.13-3.17) per kg, according to trade sources.

The Tiruppur market saw stability in cotton yarn prices, but demand from the downstream industry continued to rise. According to market sources, spinning mills are set to increase yarn sales rates by ₹4–5 per kg in April 2025 when they revise their current rates. There is optimism for better demand across the entire textile value chain. As the current fiscal 2024–25 has fewer working days, there are indications of increased lifting from consumers.

In Tiruppur, knitting cotton yarn prices were noted as 30 count combed cotton yarn at ₹255-263 (approximately $2.97-3.07) per kg (excluding GST), 34 count combed cotton yarn at ₹264-271 (approximately $3.08-3.16) per kg, 40 count combed cotton yarn at ₹276-288 (approximately $3.22-3.36) per kg, 30 count carded cotton yarn at ₹235-240 (approximately $2.74-2.80) per kg, 34 count carded cotton yarn at ₹240-245 (approximately $2.80-2.86) per kg and 40 count carded cotton yarn at ₹248-253 (approximately $2.89-2.95) per kg.

In Gujarat, cotton prices steadied after earlier gains. Domestic cotton prices followed the global market and had previously risen when ICE cotton increased. However, the global market experienced a decline on Monday, weakening sentiment in the Gujarat market. Traders said that cotton seed prices eased significantly, which also negatively impacted cotton prices. Buying by spinning mills softened in the local market. The Cotton Corporation of India (CCI) is also selling cotton from the current and previous seasons.

Cotton arrivals were estimated at 8,000–10,000 bales of 170 kg in Gujarat and 70,000–75,000 bales across the country. The benchmark Shankar-6 cotton was quoted between ₹54,000–54,200 (approximately $629.75–$632.09) per candy of 356 kg, while southern mills were looking to buy cotton at ₹54,700–55,000 (approximately $637.92–$641.42) per candy. Seed cotton (kapas) was traded at around ₹7,480–7,500 (approximately $87.23–$87.47) per quintal.

Source: fibre2fashion.com– Mar 25, 2025

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