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INTERNATIONAL NEWS

Congressional Budget Office Says Tariffs Accelerating Inflation, Treasury Hints at Forthcoming China Deal

The outcome of the Supreme Court's decision on the Trump administration's tariff regime is "one of the key uncertainties of the economy" in 2025, according to Congressional Budget Office director Phillip Swagel.

President Donald Trump's duties have accelerated inflation at a higher rate than the agency expected since he first took office, the CBO lead said in an interview on CNBC. Part of that impact stems from the unpredictability of the Commander in Chief's trade policy, which is "changing day by day" and causing tremors within the national economy.

"The economy has been weakening over the course of the year. You'd expect that to lower inflation, but the tariffs have probably been pushing up inflation," the non-partisan agency director said.

While Swagel said the CBO estimates that the collection of tariffs (and subsequent averted debt costs) could have a profound impact on the national deficit—to the tune of a \$4 trillion reduction over the next 10 years—he said the impacts on consumers could also be significant.

Tariffs will lead to higher government revenue, yes, but also heightened inflation and slower economic growth, he said. "Whether that's good or bad is up what to the Congress, to the president, and now, to the Supreme Court."

The high court's decision will have implications that stretch far beyond U.S. borders, with shakeups in policy reverberating across the economies of trading partners globally.

That's according to Brazilian President Luiz Inácio Lula da Silva, who penned an op-ed in the New York Times seemingly directed at Trump himself.

Lula, who beat out Trump ally and newly convicted former president Jair Bolsonaro in the 2022 election, called the 50 percent tariffs levied on Brazil in August “not only misguided but illogical.” This, after accusing the the U.S. of “tariff blackmail” during a BRICS Alliance summit last week.

The Brazilian president implied that Trump meddled in the country’s politics by imposing the punishing duties, which he views as a nod of support to Bolsonaro. The erstwhile leader heads to prison this week after being found guilty of orchestrating a coup to overturn the results of the election that he lost.

Trump’s “reciprocal” tariff scheme was devised as a means of rectifying trade imbalances with global partners, many of which sell far more goods into the U.S. market than they purchase. But that’s not the case with Brazil.

“The United States is not running a trade deficit with our country, nor is it subject to high tariffs. Over the past 15 years, it has accumulated a surplus of \$410 billion in bilateral trade in goods and services,” Lula said. “Nearly 75 percent of U.S. exports to Brazil enter duty-free. By our calculation, the average effective tariff on American products is just 2.7 percent.”

Now, Lula is calling upon Trump to come back to the negotiating table with Brazil to hash out a deal “that can bring mutual benefits.”

“But Brazil’s democracy and sovereignty are not on the table,” he added—a warning to the U.S. president not to leverage trade tools like tariffs to influence the South American nation’s politics.

Trade tensions with several global superpowers remain rocky, but Treasury Secretary Scott Bessent said Tuesday that he believes negotiations with China are headed in the right direction.

After traveling to Madrid on Friday to meet with Chinese trade officials (and talking mostly about the future of social media platform Tik Tok), Bessent told CNBC that Trump and Chinese President Xi Jinping are slated to have a phone call on Friday.

He noted that the discussions in Spain about the future of the China-founded tech giant ended on the precipice of an agreement, which he appeared to believe would be hashed out before a broader trade truce. Just

last week, however, Trump pushed G7 leaders to impose higher duties on both China and India over their purchasing of Russian oil.

“Each one of those talks has become more and more productive. I think the Chinese now sense that a trade deal is possible,” he said, expressing optimism that an agreement could be brokered before the Nov. 10 deadline, when reciprocal tariffs worth 30 percent will be levied on China-originating goods.

Asked whether he believes the Supreme Court will uphold the duties, which were stuck down by a Court of International Trade as unlawful (a ruling that was validated by a Washington, D.C.-based appeals court last month), Bessent said, “I’m confident that the Supreme Court will rule in favor of the administration.”

“I think the law is on our side. I think historically, that Supreme Court is very reluctant to overrule a president’s signature policy,” he added.

Source: sourcingjournal.com– Sep 16, 2025

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Modi and Trump Break Their Detente, House Republicans Back Tariffs

President Donald Trump and Indian Prime Minister Narendra Modi appear to be mending frayed lines of communication after their once warm relationship turned rocky over trade tensions.

On Tuesday, the American president spoke to Modi by phone to wish him a happy birthday, detailing the exchange on Truth Social. “He is doing a tremendous job. Narendra: Thank you for your support on ending the War between Russia and Ukraine!” Trump said.

Trump also said this week that he feels “certain” there will be no difficulties in coming to a “successful conclusion” in trade negotiations that stand to benefit both countries, hinting that a deal could be imminent.

Modi thanked Trump for the outreach and “warm greetings” on his 75th birthday, saying, “Like you, I am also fully committed to taking the India-U.S. Comprehensive and Global Partnership to new heights. We support your initiatives towards a peaceful resolution of the Ukraine conflict.”

Modi and other Indian officials have expressed eagerness to find consensus with their American counterparts in light of the taxing 50 percent duties on India-made imports into the U.S. which were levied by the Trump administration last month.

Trump tacked on a 25 percent tariff to an existing 25 percent duty rate, citing India’s purchase of Russian oil as the impetus. Last week, he urged the European Union and the G7 to impose tariffs worth up to 100 percent on India for the same reason.

On the same day as the leaders’ cordial phone call, a team of officials from the U.S. Trade Representative’s (USTR) Office led by chief negotiator Brendan Lynch flew to India to meet with representatives from India’s Department of Commerce about the prospect of a bilateral trade agreement.

“Acknowledging the enduring importance of bilateral trade between India and the U.S., the discussions were positive and forward looking covering various aspects of the trade deal,” a press release said. “It was decided to

intensify efforts to achieve early conclusion of a mutually beneficial Trade Agreement.”

Trump’s tariff regime, which has driven up anxieties amongst global trade partners, has also faced manifold challenges at home.

On Tuesday, the House of Representatives voted by the slimmest of margins to cede power to the president on the issue of tariffs after Gregory W. Meeks (D-N.Y.), the leading Democrat on the Foreign Affairs Committee, introduced a surprise motion to block the administration’s tariffs on Brazil.

GOP stalwarts including House Speaker Mike Johnson were forced to wrangle three conservative dissenters who planned to vote to check the president’s power to impose the tariffs, which the Congressional Budget Office said have pushed inflation beyond its projections. Representatives Don Bacon (R-Neb.), Tom McClintock (R-Calif.) and Jay Obernolte (R-Calif.) changed their votes, handing Republicans a narrow win.

However, Representatives Thomas Massie (R-Ky.), Victoria Spartz (R-Ind.) and Kevin Kiley (R-Calif.) remained pitted against the measure, which essentially prevents Congress from taking action to remove the tariffs until March 31.

“If we’re saying that Congress is not going to be able to assert itself on this issue, that, in my view, is a problem,” GOP Congressman Kiley said, according to Axios. “I think this is a misuse of what rules are for, and I think it’s bad for the representative process,” he added, referring to the president’s application of tariffs, according to Politico.

Senate Democrats were plotting their own challenges to the administration’s tariff scheme within the coming weeks, but their efforts have been effectively thwarted by Johnson’s intervention.

Sen. Tim Kaine (D-Va.) plans to introduce two bipartisan bills that would halt Trump’s tariffs on Canada and Brazil. Along with other Democrats in the upper chamber, Sen. Rand Paul (R-Ken.) signed onto the effort.

While the law allows Congress to reintroduce legislation challenging the president’s imposition of tariffs every six months, the resolution in the House will block those movements until next year.

Kaine tweeted Wednesday that Trump's trade war with Canada has caused U.S. product sales into the country to plummet along with Canadian tourism to the U.S., which damaging a relationship with one of America's closest allies. "I urge my colleagues to support my bill to end these new taxes and protect the American people," he wrote.

Source: sourcingjournal.com– Sep 17, 2025

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Port of Los Angeles Forecasts 10% September Cargo Drop

The Port of Los Angeles expects cargo volumes to drop 10 percent in September, two months after the port handled an all-time record of containers amid tariff-driven front-loading into the U.S.

“We’ve already seen the peak of the peak,” said Gene Seroka, executive director at the Port of Los Angeles, during a Wednesday media briefing.

Seroka said he expects container volumes to ease through the rest of the year against “unusually high” comparisons in late 2024, in line with trends projected by the monthly Global Port Tracker from NRF and Hackett Associates. That report, which tracks inbound cargo volume, said September imports would decline 6.8 percent year over year across major U.S. ports.

Cargo numbers at the Port of Los Angeles were relatively flat in August, declining 0.2 percent to 958,355 20-foot equivalents (TEUs).

Loaded imports during the month came in at 504,514 TEUs, 1 percent less than last year. Loaded exports saw a 5 percent improvement from 2024 at 127,379 TEUs. The port also processed 326,462 empty container units, 1 percent less than last year.

Eight months into 2025, the Port of Los Angeles has handled 6,934,004 TEUs, 4.5 percent more than the same period in 2024.

As the port’s throughput totals are expected to decrease in the coming months due to the tariff-driven changes in order cadence, Seroka emphasized the elevated costs importers have had to pay now that the “reciprocal” tariffs have gone back in effect.

Most U.S. importers now pay tariffs ranging anywhere from 15 percent to “almost double what they were paying at the beginning of the year,” depending on the origin country and category of the product.

“Large retailers were able to build some inventory level in advance, but once those goods cycle through the inventory system, added costs will probably hit us as well,” said Seroka. “Smaller and midsize companies, meanwhile, didn’t have that cushion. Many are dipping into cash reserves just to cover tariffs, but they didn’t budget or foresee.”

Beyond the tariffs, shippers and end consumers alike have to worry about potential cost increases due to the other major U.S. trade policy shifts under the Trump administration, including the scrapping of the duty-free de minimis provision and the expected introduction of fees for Chinese ships docking at U.S. ports.

Vincent Iacopella, president of trade and government relations at freight forwarder Alba Wheels Up International, said the end of the trade provision—which let companies import small packages into the U.S. worth less than \$800 tax-free—would favor larger marketplaces that have the capital and resources to make to shift to a duty-paid model.

Under a deliver duty-paid model, merchants can calculate and collect duties via a third-party before remitting payment directly to Customs and Border Protection.

Iacopella also said “there probably will be” a rise in container shipments entering the U.S. due to the de minimis closure.

“I haven’t seen it yet, but I’m sure we will,” Iacopella said. “With the duty paid [model] and more time to plan, you can deal with a longer transit time on the trans-Pacific.”

With ocean freight possibly picking up more of the slack from air freight kicks into gear, that could leave more room for carriers to feel the brunt of the U.S. port docking fees, which are scheduled to go into effect Oct. 14.

About 30 percent of the 2,000 vessels that annually call at the Port of Los Angeles are China-built and -operated ships, according to Seroka.

While most of the major container shipping firms have reshuffled their vessels so a Chinese ship doesn’t travel to the U.S., there is still uncertainty over how much of the costs will be passed on to consumers.

“I’ve seen sliding scales of 10 percent to 40 percent of the ocean freight as you start this year, 2025, as you go into 2028 (the last year the port docking fees escalate),” said Iacopella. “It is a cost on top of the tariffs.”

Seroka said ships docking at L.A. port could see added costs ranging between \$125 and \$300 per container, depending on size.

“That cost per box may be lower than other entry points, simply because of the average volume we have on every ship that comes in, smaller ships will have a higher cost per box,” Seroka said.

Although the U.S. Trade Representative-levied fees are scheduled to begin in less than four weeks, the port hasn’t noticed any significant vessel schedule changes, Seroka said.

Despite the increase in customs activity related to duties collection at the port, operations have gone smoothly, according to the director. Turn times on trucks are “about an hour” at the Port of Los Angeles and Long Beach. Dwell times for containers set to be loaded on a truck are at or under three days, while container dwell times set for rail are below four days.

Source: sourcingjournal.com– Sep 18, 2025

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New EU EPR rules shake up global textile industry

A major shift in European Union policy is set to redefine the global apparel and textile landscape. The EU is moving from a fragmented and voluntary approach to a unified, comprehensive, and binding framework that targets the entire lifecycle of textile products.

This new policy, driven by Extended Producer Responsibility (EPR) schemes, is designed to combat fast fashion's environmental impact and promote a truly circular economy. The changes will definitely affect all international brands, including US companies that sell products to European consumers.

The core of the new regulations

The new rules, stemming from the EU's Strategy for Sustainable and Circular Textiles, introduce some major changes outlined in the table below.

Aspect Existing EPR Laws & Frameworks (Before 2025) New 2025 EU Rules EPR Implementation Many EU countries had EPR schemes, causing compliance complexity and market fragmentation. Establishes harmonized, mandatory EPR schemes across all EU member states for textiles. Producers pay full lifecycle costs. Coverage Some Member States had EPR covering textiles partially; scope and fees varied widely.

Applies to all textiles and e-commerce sellers, both EU and non-EU based, covering all stages (collection, sorting, recycling). Digital Product Passport (DPP) DPP under Ecodesign Regulation mandates digital product info for sustainability from 2027, but not tied directly to EPR fees.

EPR aligned with DPP and eco-modulation to reward circular, durable products; reporting requirements harmonized EU-wide. Fast Fashion & Ultra-Fast Fashion Some countries had voluntary initiatives or partial fees targeted to fast fashion's impact. Explicit provisions allow states to set higher fees targeting ultra-fast fashion, discouraging environmentally harmful practices.

This new framework is a direct response to the alarming amount of textile waste generated in the EU. According to the European Environment Agency (EEA), the average EU citizen consumes around 16 kg of textiles per year, generating 6.94 million tons of textile waste annually.

Data on textile waste

Low recycling rate: Currently, only about 22 per cent of post-consumer textile waste in the EU is collected separately for reuse or recycling.

Landfill and incineration: The vast majority of discarded textiles, approximately 87 per cent, end up in landfills or are incinerated.

Global impact: The EU's high consumption and low recycling rates contribute to the global textile waste crisis, with much of the collected but unsorted waste being exported and often ending up in landfills in African and Asian countries.

[Click here for more details](#)

Source: fashionatingworld.com– Sep 17, 2025

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Brazilian cotton prices fall as 2024-25 harvest nears completion

Cotton prices in Brazil moved down in early September due to the progress of harvesting and processing activities of the 2024-25 season, which boosted the availability of batches and encouraged sellers to be more flexible about quotations. Decreases in dollar values abroad also reinforced the downward trend in the domestic market, as per the Centre for Advanced Studies on Applied Economics (CEPEA).

Due to constant price drops, many sellers stayed away from closing trades in the spot market, preferring to accomplish term contracts, which were closed at more attractive values compared to current ones. Purchasers, in turn, were closing only a few deals.

The CEPEA/ESALQ Index (payment in 8 days) decreased 6.05 per cent between August 29 and September 15, closing at BRL 3.6703 (~\$0.69) per pound on September 15. On September 12, it closed at BRL 3.6590 per pound, the lowest value since early July 2023, in nominal terms (BRL 3.7047 per pound), CEPEA said in its latest fortnightly report on the Brazilian cotton market.

According to data from Brazilian Cotton Growers Association (ABRAPA), 90.83 per cent of 2024-25 crops had been harvested and 30.65 per cent had been processed until September 4.

International Cotton Advisory Committee (ICAC) estimates the global area at 30.8 million hectares in 2025-26, for a decrease of 0.76 per cent compared to the previous crop. Productivity is expected to move up 1.4 per cent to 829.18 kilos per hectare, resulting in production at 25.55 million tons, up 0.63 per cent year-on-year. World consumption is likely to reach 25.519 million tons.

In Brazil, production may increase 7.19 per cent to the record of 3.92 million tons in 2025-26, sustained by the higher area. Domestic consumption is likely to reach 752 thousand tons, up 0.27 per cent compared to the season before, the highest since 2014-15 (801 thousand tons).

Source: fibre2fashion.com— Sep 12, 2025

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ICE cotton hits 2-week high on rate cut hopes, weak US dollar

ICE cotton futures surged yesterday on expectations of an interest rate cut and a weaker US dollar. US cotton prices hit a two-week high as the softer dollar made purchases more affordable for overseas buyers.

The most active December 2025 contract on ICE settled at 67.68 cents per pound (0.453 kg), up 0.84 cent or 1.26 per cent. During the session, it touched 67.72 cents per pound, the highest level since August 26.

The US dollar fell sharply on Tuesday, hitting a four-year low against the euro as investors increased bets on an imminent Federal Reserve rate cut. A weaker dollar typically makes dollar-denominated commodities such as cotton cheaper for buyers using other currencies.

Market analysts noted that a Fed rate cut would ease borrowing costs for cotton farmers. However, they cautioned that if prices hit 68 cents per pound, selling pressure could push prices back toward 66 cents.

Traders are widely betting on a 25-basis-point cut by the Federal Reserve at its meeting this week.

According to the US Department of Agriculture (USDA), 52 per cent of the US cotton crop was rated good to excellent in the week ending September 14, 2025, compared with 54 per cent the previous week and 39 per cent in the same period last year. US' cotton harvest was reported at 9 per cent, slightly lower than last year's 10 per cent but above the five-year average of 8 per cent.

The USDA's September crop supply and demand report, released on September 12, kept US cotton consumption, exports, and year-end stock estimates unchanged.

Other agricultural commodities also rallied, with wheat, corn, and soybean futures on the Chicago Board of Trade rising on strong export demand and a weaker dollar.

ICE data showed that as of September 15, deliverable No. 2 cotton contract stocks were steady at 15,474 bags.

Currently, ICE cotton for December 2025 was traded at 67.48 cents per pound (down 0.20 cent), cash cotton at 65.14 cents (up 0.97 cent), the October 2025 contract at 66.39 cents (up 0.97 cent), the March 2026 contract at 69.35 cents (down 0.22 cent), the May 2026 contract at 70.65 cents (down 0.21 cent) and the July 2026 contract at 71.48 cents (down 0.20 cent). A few contracts remained at their previous closing levels, with no trading recorded today.

Source: fibre2fashion.com– Sep 17, 2025

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Japan's clothing imports dip to \$2.37 bn in Aug; textile trade slows

Japan's imports of clothing and accessories eased 0.8 per cent to 347,174 million yen (~\$2.37 billion) in August 2025, accounting for 4 per cent of the nation's total imports of 8,667,684 million yen, provisional data from Japan's Ministry of Finance showed. The decline reflects slowing consumer demand, cautious retail inventory management, and persistent global economic uncertainty, which have weighed on discretionary spending.

Imports of textile yarn and fabric also fell 4.4 per cent to 87,027 million yen (~\$594.39 million), representing 1 per cent of total imports. On the export side, textile yarn and fabric shipments slipped 5.1 per cent to 62,872 million yen (~\$429.41 million), while textile machinery exports dropped 3 per cent to 22,574 million yen (~\$154.18 million), contributing 0.3 per cent to Japan's total exports of 8,425,158 million yen. The slowdown in textile machinery exports partly reflects the impact of recently imposed US tariffs on all trading partners, which has heightened trade uncertainty and disrupted global demand patterns.

For the first half of 2025, clothing and accessories imports rose 6.8 per cent to 1,803,053 million yen (~\$12.14 billion), supported by steady consumer appetite earlier in the year. Imports of textile yarn and fabric edged up 1.3 per cent to 569,232 million yen.

Exports of textile yarn and fabric gained 2.5 per cent to 413,252 million yen, while textile machinery exports surged 11.9 per cent to 143,361 million yen, underscoring Japan's competitive manufacturing base and strong overseas demand for high-quality machinery in early 2025.

In fiscal 2024–25 (April–March), imports of clothing and accessories grew 5.2 per cent to 3,764,657 million yen (~\$26.44 billion), while textile yarn and fabric imports rose 2.7 per cent to 1,174,598 million yen.

Exports of textile yarn and fabric increased 6 per cent to 850,139 million yen, but textile machinery exports fell 12.6 per cent to 280,408 million yen, partly due to intensified global competition and shifting sourcing patterns towards lower-cost Asian producers.

In fiscal 2023–24, imports of clothing and accessories declined 1.7 per cent to 3,564,850 million yen (~\$23.11 billion), and imports of textile yarn and fabric dropped 10.4 per cent to 1,143,805 million yen. During the same period, exports of textile yarn and fabric stood at 802,178 million yen, while textile machinery exports totalled 320,947 million yen, reflecting a year of demand normalisation following the post-pandemic boom.

In fiscal 2022–23, clothing and accessories imports reached 3,619,550 million yen (~\$25.05 billion), while textile machinery exports amounted to 306,781 million yen, indicating gradual recovery momentum in Japan's textile trade after the COVID-19 disruptions.

Source: fibre2fashion.com– Sep 19, 2025

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Why tariff gains may not translate into export success

The US decision in August to hike reciprocal tariffs on Indian goods—raising duties on many shipments to as much as 50 per cent—has triggered a scramble among US buyers to diversify apparel and home textile sourcing. On price, Pakistan should be a clear beneficiary. Islamabad secured a lower ‘reciprocal’ rate of 19 per cent compared to India’s steep new baseline.

Buyers running total-landed-cost models, however, are running into a familiar barrier—energy. Industrial electricity in Pakistan remains around 12–14¢/kWh, well above regional competitors, and mills face new liquidity shocks from RLNG (regasified liquefied natural gas) arrears. The theoretical tariff edge is proving difficult to convert into purchase orders.

Immediate impact

The tariff escalation came in two steps—first 25 per cent with effect from August 7, then doubled to 50 per cent from August 27—as Washington signalled pressure over India’s Russian oil imports. Labour-intensive sectors including garments and home textiles are directly hit, and exporters confirm that some US buyers are asking to move production out of India or pause orders.

Reuters reports that some manufacturers are exploring US-based production, while brands are pushing Indian suppliers to diversify capacity. Policy risk is also widening. Washington has urged G7 partners to consider secondary tariffs on India and China linked to Russian energy purchases.

Pakistan’s pitch

Pakistan has positioned itself as an alternative, highlighting July’s trade understanding with Washington. Its reciprocal tariff rate of 19 per cent is materially below India and roughly aligned with Bangladesh, which reset to 20 per cent in August.

On paper, that gap should hand Pakistan a strong price advantage in categories like towels, denim, and knit basics. In practice, however, high energy costs erase much of the spread.

Industrial exporters report delivered power costs of 12–14¢/kWh, compared with Vietnam at 8-9¢ and Bangladesh at about 10¢. RLNG arrears have added further instability—July’s consolidated back-bills landed as a working-capital shock and raised concerns with foreign buyers who prize predictability as much as price.

Way out

The imposition of 50 per cent reciprocal tariff have jolted India’s exporters and opened space for competitors. Pakistan has a pricing advantage, but energy remains the critical constraint. So, if policymakers deliver predictable, regionally competitive power and resolve RLNG arrears, the country can capture meaningful share. Without that, most of the upside will flow to Bangladesh and Vietnam.

Source: fibre2fashion.com– Sep 19, 2025

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Annual inflation stable at 2% in euro area in Aug 2025: Eurostat

The euro area annual inflation rate was 2 per cent in August this year, stable compared to July, according to Eurostat, the statistical office of the European Union (EU). A year earlier, the rate was 2.2 per cent.

EU annual inflation was 2.4 per cent in August—stable compared to July. A year earlier, the rate was 2.4 per cent, a Eurostat release said.

The lowest annual rates were registered in Cyprus (0 per cent), France (0.8 per cent) and Italy (1.6 per cent). The highest annual rates were recorded in Romania (8.5 per cent), Estonia (6.2 per cent) and Croatia (4.6 per cent).

Compared with July 2025, annual inflation fell in nine member states, remained stable in four and rose in fourteen.

In August, the highest contribution to the annual euro area inflation rate came from services (plus 1.44 percentage points [pp]), followed by food, alcohol and tobacco (plus 0.62 pp), non-energy industrial goods (plus 0.18 pp) and energy (minus 0.19 pp).

Source: fibre2fashion.com— Sep 19, 2025

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Pakistan's Ambassador visits NY market to talk business

New York – Pakistan's Ambassador to the U.S. wasn't carrying a line sheet but he clearly came to New York Home Fashions Market to sell.

Rizwan Saeed Sheikh travelled up from Washington this week to meet with Pakistani home textiles manufacturers and some of their U.S. import partners to discuss the country's untapped capacities and opportunities to expand business with the U.S. market in the midst of its sourcing disruption.

Pakistan is the third largest exporter of home textiles to the U.S. after China and India. Under U.S. President Donald Trump's current tariff levies, it is carrying a 19% "reciprocal tariff" vs. 30% for China and 50% for India.

"Given the recent cast of the dice, there is opportunity for Pakistan as a major supplier – and for the buyers," he explained. "We can fill the gap not only in quantitative terms but also qualitative terms."

In recent years, the country's textiles industry has invested \$3 billion in facilities and equipment, he noted.

Pakistan currently exports \$17 billion in total textiles value on a global basis. However, it has the installed capacity to produce \$30 billion worth of textiles. The country is the largest buyer of U.S. cotton (10 million to 10.5 million bales annually), and during its tariff negotiations, it pledged to boost its U.S. cotton consumption even further to redress its trade imbalance.

In addition, home textiles products made with 40% to 60% U.S. inputs (depending on the product category) stand to receive a 20% discount on tariffs. The U.S. Trade Representative and U.S. Customs are currently working on a certification system to make that possible. It will work similarly to the process textiles manufacturers use to certify BCI and GOTS fiber use.

Sheikh acknowledged some hurdles for the industry in Pakistan – including freight rates that have not fully returned to their pre-Covid levels and high energy costs. The Pakistani government is working to bring down energy by at least 20%, he said.

He also believes Pakistan's home textiles manufacturers need to raise their profile in the U.S. market – among consumers as well as importers – in two ways: by selling direct on major platforms such as Amazon and by developing brands. He pointed to the luxury Roberto Cavalli home collection that launched at Heimtextil earlier this year by way of example.

“Let's develop a long-term partnership that is economically entrenched in a mutually beneficial way,” he said.

Source: hometextilestoday.com– Sep 18, 2025

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Bangladesh risks \$1.25b export loss to US over tariffs

Bangladesh's exports to the US market could fall by up to 14 percent, or nearly \$1.25 billion, over the next year due to the recently imposed 20 percent reciprocal tariff, according to study by the Research and Policy Integration for Development (RAPID).

Of the total, apparel exports alone could lose around \$1.08 billion, RAPID Chairman Mohammad Abdur Razzaque said during a presentation at a workshop for journalists on the implications of US reciprocal tariffs and LDC graduation, held yesterday at the CIRDAP in Dhaka.

Razzaque noted that Bangladesh's export losses are expected to be smaller than those of some other countries. "Overall, US imports of apparel will fall by \$10 billion, and this shrinking market will make any export growth very difficult," he said.

He added that although Bangladesh faces lower tariffs than major competitors such as India and China, expanding exports remains challenging.

"Bangladesh finds itself in a tricky situation. While the country may gain market share in the US apparel sector, this may not translate into an overall increase in exports, as the total market size is contracting," he explained.

Exports from other nations are also projected to drop because of additional tariffs imposed by the Trump administration. China's exports to the US could fall by 58 percent, India's by 48 percent, Vietnam's by 28 percent, and Indonesia's by 27 percent, Razzaque said.

The equation could shift further against Bangladesh if India manages to secure a trade deal that reduces its reciprocal tariff by 20 percent. "In that case, Bangladesh's export decline could deepen to 17.46 percent, while India's would ease to 18.33 percent," he warned.

The US is Bangladesh's largest single export destination, with garments accounting for more than 90 percent of shipments to the American market. Annually, the South Asian country exports goods worth more than \$8 billion to the US and imports about \$2 billion, leaving a \$6 billion trade gap. Globally, it is also the third-largest garment exporter to the US after

China and Vietnam, holding a 9.3 percent share of the \$81 billion American apparel import market.

Razzaque further observed that export prospects will be strained by intense competition, which is likely to push down prices in other key markets such as the European Union.

According to Razzaque, the long-term impact will depend on several factors, including US domestic inflation, possible policy reversals, shifts in global sourcing, and Bangladesh's own ability to adapt to the changing trade environment.

"Although the tariff structure could have been worse, there is no cause for complacency," he said. "Strategic policy interventions, efficiency improvements, and diversification of export markets will be critical going forward."

A Dhaka-visiting US trade delegation on Monday called on the government to accelerate labour law reforms and narrow the trade deficit to help further reduce retaliatory tariffs on Bangladeshi exports to the American market.

The delegation made the call during a meeting with leaders of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) at the US ambassador's residence in Dhaka yesterday.

Brendan Lynch, assistant US trade representative for South and Central Asia, led the three-member team.

BGMEA leaders urged the US side to consider deeper tariff cuts to sustain the steady flow of garment exports to the American market, which is the largest source of private-sector employment in Bangladesh.

Doulot Akter Mala, president of the Economic Reporters Forum, and Mohammed Abu Eusuf, executive director of RAPID, also spoke at the event.

Source: thedailystar.net– Sep 17, 2025

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US may cut tariff to 10-15%, penal duty likely to go: CEA Nageswaran

Chief Economic Advisor (CEA) V Anantha Nageswaran on Thursday expressed confidence that India-US tariff discussions would conclude within the next couple of months, with a resolution to both the reciprocal tariff as well as penalty for India's purchase of Russian oil. He also said the reciprocal tariff could come down to the earlier-anticipated range of 10-15 per cent.

The CEA was speaking at two separate events in Kolkata, organised by business chambers.

“Considering recent developments in the last couple of weeks, I do believe — I have no particular basis to say so and this is my intuition — that the penal tariff will not be there beyond November 30. Given the recent developments, I do believe there will be a resolution in the next couple of months on the penal tariff and hopefully on the reciprocal tariff also,” Nageswaran said at an event organised by the Merchants' Chamber of Commerce and Industry.

On Tuesday, the chief negotiators of India and the US decided to intensify efforts to reach an early conclusion of a “mutually beneficial” trade deal, setting aside recent strains in their bilateral ties.

A phone call from US President Donald Trump to convey birthday greetings to Prime Minister Narendra Modi also indicated a move towards normalisation of relations.

Speaking at a separate event organised by the Bharat Chamber of Commerce, the CEA said the 25 per cent reciprocal tariff could also come down to the earlier-anticipated range of 10–15 per cent. “If that happens, it will be an even bigger occasion for celebration,” he added.

Exports to the US, which stood at \$86.5 billion last year, suffered a jolt when the Trump administration imposed an additional 25 per cent tariff on Indian goods effective August 27, in retaliation to India's Russian oil purchases. This was over and above the 25 per cent reciprocal tariff that kicked in on August 7.

A resolution to the matter, Nageswaran said, was important not only from a trade perspective but also from the overall sentiment and capital formation. Underneath the surface, lots of conversations were going on, he said.

Confidence on growth momentum

On the Indian economy, he said, numbers point to a stronger growth momentum than anticipated prior to the tariff imposition. “We won’t be surprised if the growth rate is again 7 per cent year-on-year (Y-o-Y) in the second quarter.”

In the first quarter, India’s gross domestic product (GDP) grew at 7.8 per cent Y-o-Y. It was not a number that was simply driven by the low inflation rate, Nageswaran said, adding that manufacturing and services sectors contributed to it.

In the next two quarters, agriculture would be contributing in a big way, the CEA said. “We know this from the tractor sales, sowing data, area under cultivation, amount of water in the reservoirs and monsoon rains.”

If the current trade-related uncertainties are resolved reasonably quickly, as he expects, then India will have the growth momentum to support even more reforms not only at the Union government level but, more importantly, at the state government level, the CEA said.

Urban consumption

On urban consumption, which has been an area of concern, the CEA said it was likely to improve compared to last year on the back of recent developments on the tax front.

The direct tax relief in the Budget, combined with benign food inflation and rationalisation of goods and services tax (GST) rates. These three developments are creating a huge improvement in the disposable income or purchasing power in the hands of urban consumers, he explained.

He, however, said urban consumption being weak might be based on some selected survey of indicators. “If you look at the bigger picture, urban consumption is not doing badly.”

For example, FMCG volumes are typically tracked using data from listed companies, whereas much of the demand has shifted to unlisted firms. Similarly, digital payments at neighbourhood kirana stores through QR codes are not captured in traditional data. “There is a structural shift underway that is not fully reflected in FMCG sales volumes,” he noted.

For instance, volumes of fast-moving consumer goods (FMCG) were captured from data of listed companies. “But much of the consumption has shifted to unlisted companies now. Also, digital spend at a kirana shop through QR code is not captured,” Nageswaran said, indicating a possible structural shift that is not fully captured in the FMCG volume sales.

Source: business-standard.com– Sep 18, 2025

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Piyush Goyal says US trade talks are progressing & on right track

Abu Dhabi: Trade talks between India and the US are progressing and moving in the right direction, commerce and industry minister Piyush Goyal said Thursday, adding that the India-US relationship is a "very strong, comprehensive strategic partnership between two friendly countries".

"The US discussions with the Assistant USTR happened two days back. They were productive and are working on the right track...Talks are moving positively.. India and the US are natural partners," he said. A team of American trade officials led by Brendan Lynch, assistant US trade representative for South and Central Asia, met Indian trade negotiators in New Delhi Tuesday to discuss India-US trade ties including on the proposed Bilateral Trade Agreement (BTA).

"First of all, we have no problem with any country. The negotiations are going on, there is no trade fiction...we look at it as a situation. We have very strong ties. America is our trusted partner. Prime Minister Modi and President Trump are very good friends. So that is a strong relationship. And India never looks at one relationship from the lens of another relationship. For us, it's a multi dimensional engagement," he said. This was the first in-person meeting after President Donald Trump 25% imposed penal tariffs on New Delhi over purchases of Russian oil effective August 27 over and above the 25% tariffs imposed earlier.

India has said that the daylong discussions were positive, and both sides agreed to push for an early and mutually beneficial conclusion of the agreement. "It was decided to intensify efforts to achieve early conclusion of a mutually beneficial trade agreement," the commerce and industry ministry had said in a statement after a seven-hour meeting with US officials.

The two sides had in February announced their aim to conclude the first tranche of the BTA by fall this year and five rounds of talks have taken place in that direction.

Source: economictimes.com– Sep 18, 2025

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US revokes sanctions exemption on Iran's Chabahar Port: What it means for India's strategic gateway

India's access to Afghanistan and Central Asia through Iran's Chabahar Port faces a serious challenge as the United States revoked sanctions exemptions previously granted under the Iran Freedom and Counter-Proliferation Act (IFCA), effective September 29.

The US Department of State in a statement released Tuesday said, "consistent with President Trump's maximum pressure policy to isolate the Iranian regime, the Secretary of State has revoked the sanctions exception issued in 2018 under the Iran Freedom and Counter-Proliferation Act (IFCA) for Afghanistan reconstruction assistance and economic development, effective September 29, 2025. Once the revocation is effective, persons who operate the Chabahar Port or engage in other activities described in IFCA may expose themselves to sanctions under IFCA."

The development is part of Washington's broader effort to curb networks linked to Iran's Islamic Revolutionary Guard Corps (IRGC) and prevent financing of Tehran's military and regional proxy operations.

Chabahar: India's strategic lifeline to Central Asia

The move could expose Indian operators at the port to US penalties and complicate one of New Delhi's key regional connectivity projects.

The Chabahar Port, specifically the Shahid Beheshti terminal, has been under India's operational control since 2018 through India Ports Global Limited.

The port allows India to bypass Pakistan to reach Afghanistan and Central Asia, facilitating both trade and the delivery of humanitarian aid. New Delhi has invested over \$120 million in port infrastructure and related development credit lines.

Plans are underway to expand the terminal's capacity from 100,000 to 500,000 TEUs and connect it with Iran's railway network by 2026.

By ending the Chabahar sanctions exemption, Washington has tightened the regulatory environment for international actors engaging with Iranian infrastructure projects.

Diplomatic and economic implications for India

For India, the revocation introduces both economic and diplomatic challenges. Indian companies operating at Chabahar now face potential exposure to US penalties, which could affect cargo operations, investment plans, and future expansion.

The development also tests India's ability to balance its growing strategic partnership with the United States against longstanding trade and strategic ties with Iran.

Strategically, Chabahar remains a key node in India's regional infrastructure.

The port also provides a counterweight to China-backed Gwadar Port in Pakistan, strengthening India's position in regional trade and maritime strategy.

Source: economictimes.com– Sep 18, 2025

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India's exports likely to grow 6% this year: Piyush Goyal

Union Commerce Minister Piyush Goyal on Wednesday (September 17, 2025) expressed confidence that India's exports would grow by around 6% this year compared to the corresponding period in 2024.

Underscoring the country's strong performance in global trade despite challenges, the Minister said discussions on free trade agreements (FTAs) were advancing with several countries.

"India's exports would grow by around 6% this year compared to the corresponding period last year. I believe we will end the year on a positive note," Mr. Goyal told reporters in Mumbai, adding that discussions on free trade agreements (FTAs) were advancing with several countries.

"India's growing strength and the fact that we will be moving in the Amritkal from a \$4 trillion economy to a \$30 trillion-plus economy clearly show that India is the place to do business. The world would like to work closer with India," he added.

The Minister emphasised that India's domestic momentum and external engagements were reinforcing each other.

"We have recently come out with the lowest unemployment data at 5.1%," he said.

Addressing the issue of unemployment, the commerce minister said India is a land of opportunities.

"It may be very attractive to keep saying that there is unemployment. However, when I met Larsen and Toubro, they told me they were unable to complete projects on time because they do not get enough workers. In fact, L&T's IT company is also looking for people," the Minister said.

He said India is the fastest-growing large economy, and the infrastructure thrust and consumer demand expected from GST 2.0 will give another boost to investment, job creation, and expansion of trade and industry.

Mr. Goyal said several countries were actively pursuing FTAs with India.

"With the European Union, we had good discussions in the last round. Their two commissioners of agriculture and trade visited Delhi, and the discussions made rapid progress. We may have another virtual or physical round soon. EU President Ursula von der Leyen and Prime Minister Narendra Modi guided us to complete the negotiations by year-end, and we are continuing to work towards that goal," he said.

Citing the successful free trade pact with the UAE, the minister said it was the world's fastest FTA.

"We negotiated, finalised, and signed it in 88 days. Ever since, our exports to the UAE have been growing rapidly. Over 25 lakh Indians live there. I am going for a high-level task force investment dialogue and will meet several investors. Textiles, marine, leather, and pharmaceuticals are particular areas where we are looking for trade expansion and diversification", he added.

He noted that the UAE was a "gateway for the African region, the Gulf, and Eastern Europe" and a crucial trading partner for India.

"There is a lot of investment interest from the UAE into India. I am very confident that this partnership will only strengthen further," Mr. Goyal added.

The Minister added that similar discussions were underway with Peru, Chile, New Zealand, Oman and others.

"It is an ongoing process. Many countries want to start discussions on FTAs because India has immense potential," he said.

Source: thehindu.com– Sep 17, 2025

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EU relief to India on CBAM, exporters to benefit

The European Union has agreed to adjust the carbon price paid by exporters in India from their due payments under the Carbon Border Adjustment Mechanism (CBAM) and simplify rules on the carbon tax for small business.

This was stated in the new Strategic EU-India Agenda adopted by the 27-member bloc on Wednesday.

“A carbon price effectively paid in India will be deducted under the CBAM financial adjustment, which, being based on carbon content, will favour Indian exporters decarbonising their CBAM goods. This mechanism is also being simplified to benefit small businesses,” the EU said in a communication to the European Parliament.

EU to implement CBAM tax from January 2026

Effective January, 2026, the EU will start collecting tax under CBAM which will be equal to the price of excess carbon emitted during the production stage of select products like iron and steel, aluminium, cement, electricity, hydrogen and fertilisers. The EU has prescribed a threshold of carbon emission on each product beyond which this tax will be imposed.

India’s Carbon Credit Trading Scheme is advancing rapidly, and the EU can share lessons from its Emissions Trading Scheme on monitoring, reporting, verification and sectoral benchmarks, the communication said. This move will enable India to collect a part of the carbon tax that will be payable to the EU locally.

The initiative for the agenda was announced by EU President Ursula von der Leyen in her political guidelines for 2024-29 to better coordinate bilateral cooperation and help tackle major global challenges.

The EU President also had a telephonic conversation with Prime Minister Narendra Modi. During the talk, Modi conveyed appreciation for the adoption of the agenda. Both leaders also reaffirmed their commitment for the conclusion of the India-EU FTA by the end of the year.

This new agenda also has an element of skills mobility with the pilot European Legal Gateway Office to facilitate labour mobility. It proposes developing a comprehensive mobility cooperation framework covering study, work, and research.

Another focus of it is reinforcing supply chains while promoting critical emerging technologies and engagement on digital issues, with particular attention to strengthening economic security within the Trade and Technology Council (TTC).

EU-India startup partnership

This new strategy also proposes deepening tech cooperation, including a potential EU-India startup partnership, and invites India to associate with Horizon Europe programme.

It suggests ambitious initiatives for decarbonisation and the clean transition, such as intensifying cooperation on renewables, developing green hydrogen capabilities and expanding green finance. Strengthening food security and health, climate and disaster resilience are other items on the agenda apart from security and defence.

The agenda also emphasises strengthening regional connectivity initiatives, such as the India-Middle East-Europe Economic Corridor (IMEC) and advances Global Gateway and EU-India trilateral cooperation with and in third countries. It aims to enhance cooperation with India in multilateral forums.

Source: [financialexpress.com](https://www.financialexpress.com)– Sep 18, 2025

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Tariff turbulence: When Tamil Nadu's Dollar Town hangs by a thread

Tiruppur is known as India's knitwear capital, sometimes even called Dollar Town for its export-driven economy. Tucked away in the heart of the city is the Khaderpet wholesale apparel market, a living stage that reflects the mood of this export hub, often jolted by global geopolitics.

Though catering largely to domestic trade, the market mirrors the state of export manufacturing in Tiruppur. The narrow lanes of Khaderpet, once buzzing and splashed with coloured fabrics, surplus stock, and shop signs flaunting export connections, now look deserted. An outsider would usually be greeted by lively chaos here, but the energy has dimmed — a direct fallout of dwindling US export orders for the coming summer season.

The reasons: A likely ₹2,000 crore hit to Tiruppur exporters this year, with the US accounting for more than ₹15,000 crore of their total revenue; thinning export orders; deep discounts to American buyers that wipe out 20–25 per cent in some cases; job losses; and growing competition from other states.

Just 2.5 kilometres from this commercial hub is the Poppys Knitwear office, founded by A Sakthivel, one of Tiruppur's export pioneers and the force behind the Tiruppur Exporters and Manufacturers Association, set up in 1990. Sakthivel compresses four decades into a snapshot: "In 1985, our exports were barely ₹15 crore. By 1990, it had shot up to ₹300 crore.

Come 2025, we're crossing ₹44,000 crore annually (including nearby Coimbatore). We've faced worse crises — the pandemic, container shortages, the closure of dyeing units in the early 2010s, demonetisation, and more. Still, this town held its ground in the global market because of its product quality."

He says this with calm assurance from his office, Sakthi, lined with idols of Lord Ganesha. His confidence springs from the restart of bilateral trade talks between India and the US this week, the first since Donald Trump's 50 per cent tariffs.

He adds that exporters are still shipping to American buyers, choosing to absorb losses for the sake of long-term ties. “Buyers are seeking heavy discounts — 15–20 per cent to cover the penalties. On top of that, Bangladesh and Vietnam are tough rivals. Still, we’re continuing with summer orders, as companies have already sunk big investments into the supply chain,” says Sakthivel.

But on the ground, the picture isn’t as hopeful. In Kongu Nagar, the Jharkhand government runs a migration support centre. During a 30-minute chat, managers Madhu Dube and Rashmi Rekha Das referred to the labourers only as “bachche” (children), not “migrants” or “workers”. “Since the US crisis began, new hiring from Jharkhand has dropped 50–60 per cent each month. Some bachche are even facing wage cuts in companies tied to US orders,” says Dube. This comes despite the region’s typically high attrition.

Nearly 300,000 migrant workers from states like Odisha, Uttar Pradesh, West Bengal, Jharkhand, and Bihar form part of Tiruppur’s textile workforce, out of 700,000 people directly dependent on the sector. These state-run centres offer free housing and meals for new arrivals and help with wage negotiations.

Social media has been abuzz with reports of companies taking heavy hits. Arun Ramaswamy, chief executive officer of New Man Exports, shares a similar struggle: “Purchase orders worth ₹4 crore are on hold. To save jobs, we’re running our factory only three to four days a week.” He insists the setback is temporary, pointing to his foothold in other markets.

“Of total revenue of ₹44,747 crore, about 35 per cent — a little over ₹15,000 crore — comes from the US in three cycles a year. For the upcoming summer season, goods worth about ₹6,000 crore are ready, but the industry expects a ₹2,000-crore cash loss.

Most buyers want the orders but at steeper discounts,” explains K M Subramanian, Tiruppur Exporters’ Association president and promoter of KM Knitwear.

He hopes the UK free trade agreement will ease some pressure. “To reduce dependence on the US, we need to branch into more markets. West Asia, New Zealand, and the European Union should be explored, along with the UK,” Subramanian says.

At a meeting with the finance ministry, exporters sought targeted market schemes, subsidies, revival of the 5 per cent interest subvention, and an extension of the loan moratorium from 90 to 180 days. From his unit, Esstee Exports India near Vigneshwara Nagar, promoter N Thirukkumaran voices cautious confidence: “The industry is lining up discounts and continuing orders. What we need now is government help through quick trade agreements and short-term fiscal support. Rival countries are reportedly playing aggressive discount games.” Still, not everyone is putting up a brave face.

“The US slump could hit our hosiery market hard since 40 per cent of our exports go there. Job losses could be severe if the government doesn’t step in fast,” warns S Balachandar, board member of the South India Hosiery Manufacturers’ Association and vice-president of Priya Hosieries.

On the way to the bus stand near Avinashi Bypass, a cab driver summed it up best: “Tiruppur is like a phoenix. It’s seen worse. It’ll rise again.” He added, with a grin, “Now, migrants from Bihar and Odisha are starting factories and employing Tamilians.”

Perhaps Sakthivel put it most simply: “Yesterday’s worker, today’s factory owner, tomorrow’s exporter.”

A law of survival in this textile hub — though one that badly needs a timely stitch if it’s to keep weaving such stories.

Source: business-standard.com– Sep 18, 2025

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Ashwin Chandran takes charge as new CITI chairman

Ashwin Chandran has taken over as the new chairman of the Confederation of Indian Textile Industry (CITI) starting September 18, 2025. Chandran takes over the chairmanship from Rakesh Mehra whose term ended on September 18 following the conclusion of CITI's 67th AGM which was held during the day.

Dinesh Nolkha would become the new deputy chairman of CITI and Shreyaskar Chaudhary will take over as the new vice chairman of CITI.

A distinguished textile industry leader, Chandran is chairman & managing director of Precot Limited, one of the leading cotton mills in India which operates units in Tamil Nadu, Kerala, Andhra Pradesh and Karnataka. A former chairman of the Southern India Mills Association (SIMA), he is also a member of the Cotton Textiles Export Promotion Council (TEXPROCIL). Chandran holds a BSc (Hons) degree in Textile Technology of UMIST, UK, and, also, a Post Graduate degree in Management from the University of Illinois, US.

An eminent presence in the textile sector, Nolkha is chairman & managing director of the Bhilwara-based Nitin Spinners Ltd, one of the leading manufacturers of cotton yarn, blended yarn, knitted fabrics and finished woven fabrics. Nolkha is a former president of the Mewar Chamber of Commerce and Industry and has also been chairman of the Northern India Textile Research Association (NITRA). Nolkha is a Fellow Member of the Institute of Chartered Accountants of India and The Institute of Cost & Management Accountants of India.

A noted personality in the sphere of sustainability, Chaudhary is managing director of the Madhya Pradesh-based Pratibha Syntex Limited which is committed to transforming the textile industry through innovation, ethical practices, and a strong focus on environmental stewardship.

Pratibha Syntex is India's first Apparel Manufacturing Fair Trade Certified factory. The company is also India's first ZDHC Certified Apparel Manufacturer. Chaudhary has a background in Textile Technology from UMIST, UK.

Underlining the priorities of his CITI Chairmanship, Ashwin Chandran said there was an immediate priority and a longer-term one.

The new CITI chairman said the pressing priority was to work closely with all stakeholders, including the government, to address the grave challenge which has been posed to the Indian textile and apparel sector through the United States (the single-largest market for India's textile and apparel exports) imposing a 50 per cent tariff on Indian products with effect from August 27, 2025.

The longer-term focus would be on futureproofing India's textile and apparel sector – the bulk of which is made up of MSMEs – to improve the global competitiveness of local textile and apparel companies.

Greater emphasis would be laid on innovation, sustainability, capacity building (including through skill development), and knowledge sharing so that Indian textile and apparel enterprises can grow the size of their businesses both within India and overseas, and get to a position where they can derive the fullest benefits from the free trade agreements (FTAs) already signed by India and those on the anvil.

“CITI remains fully committed to be an important contributor to the Viksit Bharat mission,” Chandran said in a release.

India aims to create a \$250 billion domestic textile industry by 2030. The country is also aspiring to more than double textile and apparel exports to \$100 billion by 2030.

Source: fibre2fashion.com– Sep 18, 2025

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North India cotton yarn trade steady, awaits US deal breakthrough

North India's cotton yarn market continues to face sluggish demand and payment constraints. However, cotton yarn prices in Delhi and Ludhiana remained steady. Market experts noted that traders are still waiting for a breakthrough in the India-US trade deal, which could significantly improve sentiment. A boost is expected only if there are positive indications of an early agreement between the two countries. Some support came from improving export prospects, encouraging spinning mills to maintain production despite fears of halts after the breakdown of earlier trade talks.

Ludhiana market saw limited buying interest for cotton yarn, with prices holding near previous levels. Local demand from the consuming industry was weak, but export prospects offered a much-needed cushion for spinning mills. A Ludhiana-based trader told Fibre2Fashion, "Spinning mills are trying to survive on export prospects. Higher availability of cotton has allowed mills to remain competitive globally. However, sustainable recovery is possible only after progress on the India-US trade deal, from which the market has high expectations."

In Ludhiana, 30 count cotton combed yarn was sold at ₹250-260 (~\$2.84-2.95) per kg (inclusive of GST); 20 and 25 count combed yarn were traded at ₹240-250 (~\$2.72-2.84) per kg and ₹245-255 (~\$2.78-2.89) per kg, respectively; and carded yarn of 30 count was noted at ₹230-235 (~\$2.61-2.67) per kg today, according to trade sources.

Delhi's market also reported weak demand for cotton yarn from the domestic consumer industry, with prices remaining steady. Traders said there were no supportive factors on the domestic front, as fabric producers had reduced purchases due to stagnation in garment manufacturing. Cotton yarn demand is now more reliant on the export market during the winter season when local consumption slows.

In Delhi, 30 count combed knitting yarn was traded at ₹253-254 (~\$2.87-2.88) per kg (GST extra), 40 count combed at ₹280-281 (~\$3.18-3.19) per kg, 30 count carded at ₹227-229 (~\$2.58-2.60) per kg, and 40 count carded at ₹252-254 (~\$2.86-2.88) per kg today.

Panipat, India's home textile hub, reported price stability in recycled PC and cotton yarn. Demand from the consuming industry slowed, largely due to delays in the India-US trade deal. Neither export nor domestic demand supported the recycled yarn and raw material market. A local trader remarked that the 50 per cent US tariff had hurt the current season, with buyers refraining from placing home textile orders amid tariff uncertainty. However, cotton comber prices rose by ₹2 per kg due to limited supply over the past few days.

In Panipat, 10s recycled PC yarn (Grey) was traded at ₹73-76 (~\$0.83-0.86) per kg (GST paid). Other varieties and counts were noted at 10s recycled PC yarn (Black) at ₹55-58 (~\$0.62-0.66) per kg, 20s recycled PC yarn (Grey) at ₹97-100 (~\$1.10-1.13) per kg and 30s recycled PC yarn (Grey) at ₹127-132 (~\$1.44-1.50) per kg. Meanwhile, 10s recycled cotton yarn were traded at ₹107-108 (~\$1.21-1.22) per kg and 18s recycled cotton yarn ₹135-136 (~\$1.53-1.54) per kg. Cotton comber prices were noted at ₹108-110 (~\$1.23-1.25) per kg and recycled polyester fibre (PET bottle fibre) at ₹78-83 (~\$0.89-0.94) per kg today.

In north India, new cotton prices were stable amid limited buying and quality concerns. Spinning mills showed reluctance to buy due to higher moisture content and poor fibre quality. Mills do not expect prices to rise in the coming months, citing duty-free imports and the large stockpile held by the Cotton Corporation of India (CCI). Higher moisture and poor quality were seen as major deterrents to buying, with overall selling activity remaining muted across the region. Lower Rajasthan has yet to see new crop arrivals. Total arrivals of new cotton were estimated at 1,200 bales (170 kg each) in Punjab, Haryana, and Upper Rajasthan.

September delivery new cotton was quoted at ₹5,480-5,500 (~\$62.18-62.41) per maund (37.2 kg) in Haryana, while full-September delivery new cotton was traded at ₹5,510-5,520 (~\$62.52-62.63) per bale in Punjab and ₹5,530-5,550 (~\$62.75-62.97) in upper Rajasthan. Last season's cotton continues to be traded in lower Rajasthan at ₹52,200-54,200 (~\$592.29-614.98) per candy (356 kg). Seed cotton was sold at ₹6,400-7,500 (~\$72.62-85.10) per quintal (100 kg).

Source: fibre2fashion.com– Sep 18, 2025

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Taiwan entrepreneur revives banana plant as sustainable textile source

Entrepreneur Nelson Yang is reaching back into Taiwan's history to turn the humble banana plant into an unlikely sustainable textile.

Taiwan is now the world's dominant producer of advanced semiconductors but the yellow fruit, still widely grown on the island, was once a source of patriotic pride.

Banana to biomass vision

Yang's Farm to Material, headquartered in the central Changhua rural belt, is turning banana fibre into textiles he hopes will one day supply global sneaker brands.

"Back in 2008, European (sneaker) brands told us that they were hoping to find a way for food and materials to be produced in parallel, meaning that food and materials are yielded from the same land," he told Reuters.

"So we've been working based on that concept. What we're doing now is making sure that all our material sources come from food or leftovers from agriculture or the food industry. We then transform those leftovers into usable materials."

Under Japanese colonial rule from 1895-1945, Taiwan was renowned for its fruit, especially pineapples and bananas, and in the 1960s, the island branded itself the "banana kingdom" to boost exports, now long since overtaken by the tech industry.

Turning waste into fibre

Yang's company takes the middle section of the banana plant, known as the pseudostem and normally abandoned in the field after harvest, then crushes and dries it to produce the fibres that can make clothing.

Some of the fibres are turned into yarn that can be blended with cotton for socks and can also be turned into vegan leather.

The business is still in its infancy with no orders from apparel companies.

"Banana fibre actually performs better than regular cotton in terms of water consumption, absorbency, and supply stability, making it highly promising for future applications," said Charlotte Chiang, director of the innovation and sustainable design department at the Taiwan Textile Federation.

"Banana fibre could become a new highlight for Taiwan in the field of biomass fibre in the textiles industry."

Source: fibre2fashion.com– Sep 15, 2025

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