YR 25 ISSUE 06

Apparel INDIA

APPAREL EXPORT PROMOTION COUNCIL MAGAZINE | JUNE 2025 | RNI NO. HARENG/2012/45083 ₹ 100

The Union Minister of State for Textiles Inaugurated 73rd Edition of India International Garment Fair (IIGF)

India's FTAs with UK, US, EU to open new opportunities for Textiles sector: Shri Pabitra Margherita

Apparel INDIA

INSPIRE
INFORM
CONNECT

YR 25 | ISSUE 06 | JUNE, 2025 | PAGES 60

CHAIRMAN AEPC
Mr Sudhir Sekhri

VICE- CHAIRMAN AEPC
Dr A Sakthivel

CHAIRMAN EP
Mr Premal Udani

SECRETARY GENERAL
Mr Mithileshwar Thakur

EDITOR
Mr Sameer Pushp
General Manager (M&C)

PUBLISHER
Apparel Export Promotion Council
Apparel House, Sector-44,
Institutional Area,
Gurugram,
HARYANA – 122003.
Phone: 0124-2708000
www.aepcindia.com

DESIGNING & LAYOUT
Mr Rajiv Rai
Email: rajivraigzp@gmail.com

PRINTING PRESS
Asian paper products , New Delhi
Email: asianpaper88@gmail.com
Mobile: + 91 98717 34269

Dear esteemed members,

Warm greetings to all of you!

As we navigate through a rapidly evolving global trade environment, I take this opportunity to express my sincere appreciation for your continued commitment to strengthening India's apparel exports in the international markets. Your resilience, innovation, and dedication remain the backbone of our sector's growth, even in the face of complex global challenges.

I am happy to share that, RMG exports for the period April- May 2025-26 is USD 2882.9 million, showing a growth of 12.8% over the same period last year. We have been doing good with most of the FTA partners. With collective effort and strategic positioning, we can aim to meet our target of 40 billion USD by 2030.

We are also encouraged by the positive momentum in India-US bilateral trade discussions, with growing expectations around a Bilateral Trade Agreement (BTA). A trade deal with the United States — our single largest apparel export market — would significantly boost access and reduce tariff barriers for Indian garments. We remain hopeful that both governments will take forward these conversations with a view to enabling mutually beneficial outcomes.

In this connection, we met Hon'ble Minister of Commerce and Industry, Shri Piyush Goyal, to apprise him of key concerns related to the proposed India-US Bilateral Trade Agreement. The Hon'ble Minister assured the delegation that the Government is committed to protecting labor-intensive sectors and all necessary steps would be taken to ensure that India's interests, especially those of sectors like textiles and apparel, are safeguarded.

While we recognize the sovereign right of every nation to recalibrate its trade policy to reflect its strategic interests, we do believe that any further announcement will be based on a careful consideration, especially in light of the longstanding and mutually beneficial trade relations between the United States and India.

We are thankful to Shri Pabitra Margherita, Hon'ble Union Minister of State for Textiles and External Affairs, Government of India who gracefully accepted our invite and inaugurated the

73rd Edition of India International Garment Fair (IIGF). IIGF over the years has emerged as one of the leading international garment fairs of global standard and scale. The 73rd version of the IIGF attempted to capitalize upon India's momentum for accelerated export growth, while engaging with the buyers from 80 countries.

I am happy to share that Hon'ble Union Textiles Minister Shri Girigraj Singh will be inaugurating the India Tex Trend Fair (ITTF), Tokyo, Japan. AEPC is participating with 150 plus exporters in this fair.

19th Customs Consultative Group (CCG) meeting was held in Bengaluru where AEPC participated and made representations on the apparel sector. Shri Surjit Bhujabal, Member (Customs), Central Board of Indirect Taxes and Customs (CBIC) chaired the 19th Customs Consultative Group (CCG) meeting. Secretary General, AEPC, delivered a presentation on "Challenges, Opportunities, and Strategies for the Apparel Sector'. His valuable insights on key issues affecting the apparel industry, emerging opportunities in the global trade, and policy strategies to enhance the sector's competitiveness and export potential during the meeting was well appreciated by all the Association officials and Senior officers of the Department of Revenue.

AEPC celebrated International Environment and Yoga Day with full vigor and enthusiasm displaying its commitment for a better and healthier world.

Further, AEPC will be participating in the Global Sourcing Expo Melbourne, Australia scheduled to be held from 19th to 21st November 2024 under the MAI Scheme of the Ministry of Commerce, Govt. of India. Please make full use of these ensuing opportunities.

As we look ahead, I urge all our member exporters to:

- *Upgrade capabilities in design, sustainability, and speed-to-market to match global benchmarks.*
- *Explore new markets and diversify product offerings in line with global trends.*
- *Utilize government schemes such as RoDTEP, RoSCTL, and PLI for textiles to enhance competitiveness.*
- *Leverage FTAs and seek guidance from our Council for maximizing their benefits.*
- *Invest in skill development and digital tools to future-proof your businesses.*

India has the unique advantage of a large, skilled workforce, a strong raw material base, and a rapidly growing ecosystem of compliant, integrated manufacturing. With the right mindset and market orientation, we can turn today's challenges into tomorrow's opportunities.

Let us work together — industry, government, and trade bodies — to make India a leader, not just a participant, in the global apparel trade. The world is looking for reliable, sustainable alternatives, and India is ready to lead that change.

With warm regards and best wishes for continued success!

Yours sincerely,
Sudhir Sekhri
Chairman AEPC

INDIA'S READY-MADE GARMENT (RMG)

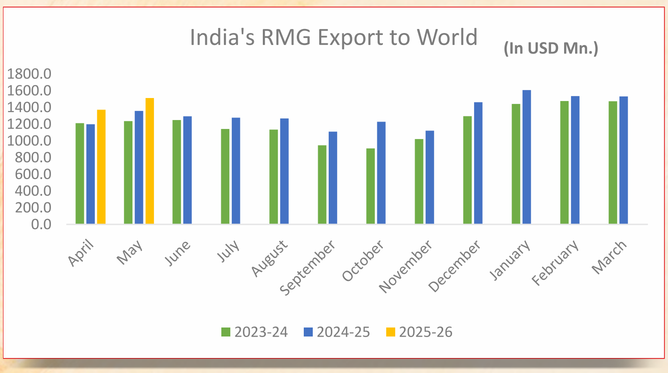
India's RMG Export to World

	(In US$ Mn.)			YoY Growth (%)	
Month	**2023-24**	**2024-25**	**2025-26**	**2024-25 Over 2023-24**	**2025-26 Over 2024-25**
April	1210.9	1198.4	1371.3	-1.0	14.4
May	1235.8	1357.4	1511.5	9.8	11.4
June	1248.0	1293.9		3.7	
July	1142.0	1277.2		11.8	
August	1133.5	1268.2		11.9	
September	946.3	1110.1		17.3	
October	908.8	1227.4		35.1	
November	1021.2	1121.4		9.8	
December	1295.3	1462.3		12.9	
January	1441.4	1606.4		11.5	
February	1476.3	1534.9		4.0	
March	1472.8	1531.3		4.0	
Total	**14532.2**	**15988.9**	**2882.9**	**10.0**	**12.8**

Note- 1) Data for the month of May 2025 is provisional data released on PIB by Ministry of Commerce on 16.06.2025
2) Sum of the value for (Apr-May) 2023-24 is USD 2446.7 mn and (Apr-May) 2024-25 is USD 2555.8 mn. and (Apr-May) 2025-26 is USD 2882.9 mn.
3) Source: DGCI&S 2025

RMG exports for the month of May 2025 has increased by 11.4% as compared to May 2024 and increased by 22.3 % as compared to May 2023.

Similarly, cumulative RMG exports for the period April- May 2025-26 is USD 2882.9 mn. showing a growth of 12.8% over April- May 2024-25 and a growth of 17.8 % over April- May 2023-24.



India's Index of Industrial Production (IIP)

Textiles & Wearing Apparel update for India's Index of Industrial Production (IIP) for the month of April in FY 2025-26

Month	Manufacture of Textiles		Growth Rate (In %)	Manufacture of Wearing Apparel		Growth Rate (In %)
	2024-25	2025-26	2025-26 over 2024-25	2024-25	2025-26	2025-26 over 2024-25
April	105.3	107.1	1.7	105.1	116.5	10.8
May	107.0			123.6		
June	106.2			122.6		
July	109.1			111.7		
August	109.4			112.5		
September	109.3			103.7		
October	111.1			104.0		
November	106.2			110.3		
December*	113.9			119.1		
January	113.7			120.2		
February	106.6			120.1		
March	112.1			144.8		
Cumulative Index (Apr-Mar)	**109.3**			**116.7**		

Source: CSO,2025
*Figures for April 2025 are Quick Estimates. (Base: 2011-12=100)
Compiled by the R&PA Department, AEPC

- ***Manufacturing of Textiles Index*** *for the month of April, 2025 is 107.1, which has increased by 1.7% as compared to April, 2024.*
- *Manufacturing of Textiles Index for the financial year 2024-25 is 109.2, which has shown a growth of 1.5% to as compared to the year 2023-24.*
- ***Manufacturing of Wearing Apparel Index*** *for the month of April, 2025 is 116.5, which has increased by 10.8% as compared to April, 2024.*
- *Manufacturing of Wearing Apparel Index for the financial year 2024-25 is 116.7, which has shown a growth of 6.2% as compared to the financial year 2023-24.*

UNIQLO expands to South India with Bengaluru launch in August

Japanese global apparel retailer UNIQLO has announced the opening of its first store in Bengaluru, set to launch on August 29 at Orion Mall, Brigade Gateway. The new outlet will mark UNIQLO's entry into the South India market, bringing its signature LifeWear collection to Bengaluru shoppers.

"We are thrilled to finally announce UNIQLO's entry into South India with our first store in Bengaluru," said Mr. Kenji Inoue, chief financial officer and chief operating officer, UNIQLO India.

Bengaluru marks the next significant milestone in the company's India business expansion, he said, adding that over the past few years, the brand has seen strong demand and brand affinity from the Tech City through its e-commerce platform.

Located on the ground floor of Orion Mall, Brigade Gateway, the new UNIQLO store will span 9,012 square feet and mark the brand's sixteenth outlet in India. The store will offer a wide range of LifeWear for men, women, kids and babies — thoughtfully designed, high-quality clothing made for everyone.

Featuring innovative product lines such as HEATTECH, AIRism and PUFFTECH, UNIQLO aims to meet the demands of modern urban lifestyles with comfort, versatility and functionality for every season and occasion.

UNIQLO is a brand of Fast Retailing Co., Ltd., a leading Japanese retail holding company with global headquarters in Tokyo. UNIQLO is the largest of eight brands in the Fast Retailing Group, the others being GU, Theory, PLST, Comptoir des Cotonniers, Princesse tam.tam, J Brand and Helmut Lang.

Currently, the company operates more than 2,500 UNIQLO stores across Japan, Asia, Europe and North America. The total number of stores across Fast Retailing's brands now exceeds 3,600.

The Union Minister of State for Textiles inaugurated 73rd Edition of India International Garment Fair (IIGF)

- India's FTAs with UK, US and EU to open new opportunities for Textiles sector: Shri Pabitra Margherita.

- More than 360 exhibitors from across the country and buyers from 80 countries participated in this edition of IIGF.

Shri Pabitra Margherita, Hon'ble Union Minister of State for Textiles and External Affairs, Government of India inaugurated the 73rd Edition of India International Garment Fair (IIGF) on 1st July 2025, at Yashobhoomi Convention Centre, New Delhi. The inauguration took place in presence of Chairman AEPC Shri Sudhir Sekhri, prominent industry leaders and a large number of international buyers and exhibitors.

Delivering his inaugural address Shri Margherita said, "73rd edition of the India International Garment Fair (IIGF) is Asia's largest and most dynamic garment fair. This fair is not just a showcase of fabrics and *fashion; it is a celebration of the creativity, craftsmanship, and confidence of Indians. This year, with an exhibition area of over 21,000 square metres and participation from buyers across 80 countries spanning North America, Latin America, Europe, Asia, Oceania, Africa, and Eurasia, this edition reaffirms the growing global trust in Indian textiles."*

The Hon'ble Minster further underlined, "Under the visionary leadership of Hon'ble Prime Minister Param Adarniya Shri Narendra Modi ji, and the guidance of Hon'ble Minister of Textiles Shri Giriraj Singh ji, the Ministry is focused on expanding India's global footprint in textiles and apparel. We are not just aiming for volumes, we are working towards value, versatility, and visibility."

The textile and apparel industry contributes 2.3% to India's GDP, 13% to industrial production, and 12% to exports. In 2023–24 alone, we exported textile products worth $34.4 billion, with apparel accounting for 42% of that. We now aim to cross $100 billion in textile exports by 2030, and every MSME, every entrepreneur, every exporter has a role in achieving this, Shri Margherita underlined.

With over 80% of India's textile sector being MSME-driven, it is important to focus on boosting productivity, ensuring steady raw material supply, and reducing import dependence to stay competitive, the Minister added.

Highlighting the road ahead, the Minister underlined, "On the trade front, the India–UK Free Trade Agreement, and our ongoing negotiations with the EU and US, will open new avenues for growth. These are high-value, quality-conscious markets, and we are committed to equipping Indian exporters with the right strategy, standards, and compliance to seize these opportunities."

Giving his welcome address in the 73rd Edition of IIGF Shri Sudhir Sekhri, Chairman AEPC and IGFA said, I am happy to share that IIGF will provide a strong platform for the Indian apparel exporters to capitalize on India's momentum for growth. India's textile sector is at a pivotal moment, where acceptability of 'Made in India' brands is more than ever before in the global sourcing arena. With the right policy push, innovation, and global partnerships, this could be the decade where India emerges not just as a volume player, but a value-added global garment exports powerhouse.

Commenting on the 73rd Edition of IIGF Shri Sudhir Sekhri, Chairman AEPC and IGFA said, IIGF over the years has emerged as one of the leading international garment fairs of global standard and scale. The current version of the IIGF will attempt to capitalize upon India's momentum for accelerated export growth. India is making significant strides in sustainable manufacturing with global brands gradually increasing their sourcing from India.

Further Chairman AEPC noted, with the geopolitical realignment of supply chains, Government policy push & incentives, sustainability practices & availability of natural fibers coupled with the rich heritage and digitization India's garment exports is poised to touch 40 billion USD target by 2030. The 12.8% cumulative growth in the first two months of this FY 2025-26 in apparel exports is a testament of this progress. This is despite the global headwinds such as the war in the Middle East, Russia-Ukraine, global logistical challenges, tariff uncertainty by the US and slowdown in many global markets. We are extremely hopeful that this year, the apparel export industry will touch new milestones.

Despite tough time and global disturbances, we have kept pace by registering cumulative RMG exports growth of 12.8% amounting USD 2882.9 million during the period April- May 2025-26 compared to the April-May 2024-25. We are now exporting our products to *more than 185 countries, Chairman AEPC added.*

The 73rd edition of IIGF focuses upon showcasing latest apparel trends tailored to meet the requirements of the European Union, USA, and other Western markets. A large number of them are based on sustainable manufacturing practices. This year's event will highlight India's prowess in design, pattern and technological advancements, reflecting our unwavering commitment to innovation and responsible production, he added.

While highlighting the objective of the Fair, Chairman AEPC stated that, IIGF will support MSMEs by helping them enter and grow in international markets while showcasing the latest fashion collections to a global audience. This will also facilitate buyer connections and drive industry growth through exposure and engagement.

The India International Garment Fair features 361 exporters from 12 states across India. Key participating states include: Delhi, Uttar Pradesh, Rajasthan, Maharashtra, West Bengal and Haryana.

The show witnessed participation from global brands and retail chains in large numbers such as Apparel Group, Western International Group, Lulu Group International (UAE); One Brand Apparel, POL CLOTHING, INC. (USA); Lola Casademunt, Signes Grimalt Artesania (Spain); Delta Galil Industries (Hong Kong); Natura Invicta LDA, Alex Group SRL (Italy); MN Inter-Fashion Ltd, Abahouse International Co.(Japan); Fiaisal Al Rasheed Group of Company (Kuwait); Natura Invicta (Portugal); M A Alabdulkarim & Co. Ltd., Imtiaz Al Arabia (Saudi Arabia), Debenhams Group (UK), etc.

The Fair was jointly organized by: Apparel Export Promotion Council (AEPC) and International Garment Fair Association (IGFA) and supported by: Garment Exporters & Manufacturers Association (GEMA), Clothing Manufacturers Association of India (CMAI), Garment Exporters Association of Rajasthan (GEAR).

Two fashion shows were held every day, showcasing latest trends and collections during the 73rd IIGF.


SMALL STALL SIZE CATEGORY

1. ABUNDANCE ENTERORISES – BRONZE
NAME – KOMAL I NIRANJAN

2. PRABHUSHREE DUTT TEXTILES PVT. LTD. – SILVER
NAME- KARAN SACHDEVA

3. FAB ASIA – GOLD
NAME- ADITYA PUROHIT

MEDIUM STALL SIZE CATEGORY

1. RAJPUTANA FASHIONS – BRONZE
NAME- VAIBHAV JHALANI, APROOV GHIYA

2. NYRAA ARTS PVT. LTD. – SILVER
NAME- SHREYA AJESH

3. DESI FINESSE PVT. LTD. – GOLD
NAME- ANJUL SHRIVASTAV

LARGE STALL SIZE CATEGORY

1. K.S. ENTERPRISES – BRONZE
NAME- PRABODH SADH

2. BLOCK PRINT COMPANY – SILVER
NAME- LALIT KHATRI

3. SWARNA ENTERPRISES – GOLD
NAME- ARJUN KAKKAR

On 2nd July 2025, the Best Display Award to the participants of the 73rd Edition of India International Garment Fair (IIGF) was given by Shri Rakesh Vaid, Senior Vice- Chairman Apparel Training and Design Centre (ATDC) and Shri Animesh Saxena, Vice-Chairman, International Garment Fair Association (IGFA).

The details of winners are as under:

S. No.	Category	No. of trophies	Stall No.
1	9 sqm/12sqm/18sqm. (Small Stall Size Category)	Gold - FAB ASIA, RAJASTHAN	A-12
		Silver - PRABHUSHREE DUTT TEXTILES PVT LTD - UTTAR PRADESH	D -20
		Bronze - ABUNDANCE ENTERPRISES - NEW DELHI	A-21
2	24 sqm/30 sqm/36 sqm. (Medium Stall Size Category)	Gold -DESI FINESSE PVT LTD - RAJASTHAN	B-06
		Silver- NYRAA ARTS PVT LTD - RAJASTHAN	C- 01
		Bronze -RAJPUTANA FASHIONS-RAJASTHAN	O-03
3	Above 42 Sqm (Large Stall Size Category)	Gold- SWARNA ENTERPRISES - NEW DELHI	D-12
		Silver- BLOCK PRINT COMPANY - RAJASTHAN	I-28
		BRONZE - K.S ENTERPRISES - UTTAR PRADESH	K-11

India International Garment Fair (IIGF) was launched in 1988. It is a bi-annual exhibition held twice a year: January/February for Autumn/Winter collections and June/July for Spring/Summer collections. Last two January/ February additions were subsumed in Bharat tex 2024 & 2025. The Fair is jointly organized by: Apparel Export Promotion Council (AEPC) and International Garment Fair Association (IGFA) and is supported by: Garment Exporters & Manufacturers Association (GEMA), Clothing Manufacturers Association of India (CMAI), Garment Exporters Association of Rajasthan (GEAR).

From its inception in 1988, this garment fair has served as a gateway for countless Indian MSMEs to step into the global stage. Many of our top exporters began their journey here, -a proof of how IIGF nurtures talent, opens doors to international markets, and boosts export potential.

Textile Ministry looking at new schemes for the sector

The Union Minister of State for Textiles Shri Pabitra Margherita said that the Ministry is committed to development of the entire textile value chain, from handlooms to technical textiles

The Union Ministry of Textiles is looking at new schemes for the sector apart from considering the Production Linked Incentive Scheme - II (PLI - II).

The Union Minister of State for Textiles Shri Pabitra Margherita told the media in Coimbatore on Monday (June 30, 2025) that the Ministry is committed to development of the entire textile value chain, from handlooms to technical textiles. The textile stakeholders are asking for PLI- II. While the government is considering it, there will be other schemes too, he said.

Regarding the demands of the industry to relax the Quality Control Orders (QCOs), he said the government is taking inputs from the industry on trade-related issues.

On the trade unions demand to reopen of National Textile Corporation (NTC) mills in Tamil Nadu. Shri Margherita said, "They have submitted their demands and appeals. Our Ministry is very much in touch with them (trade unions). We are with the employees of NTC and will resolve their problems. We are optimistic that the demands of the NTC people will be fulfilled."

Union Minister of Finance and Corporate Affairs Smt. Nirmala Sitharaman Highlights Key Policy Measures to Promote Export-led Growth at Exim Bank's Trade Conclave

Export Import Bank of India (EXIM) hosted the Trade Conclave 2025 on 24th June 2025, in a significant move to promote export-led growth for Viksit Bharat.

Speaking on the occasion, Smt. Nirmala Sitharaman, Union Minister of Finance and Corporate Affairs highlighted that Exim Bank's Trade Assistance Programme (TAP) is a first-of-its kind trade facilitation initiative in India, which is enabling Indian exporters to access high-risk markets by bridging the financing gaps. The Minister highlighted that since TAP's introduction in 2022, Exim Bank has established partnerships with over 100 overseas banks, facilitating more than 1,100 export transactions across 51 countries.

The Finance Minister outlined major steps taken by the Government to empower Indian exporters and foster export-led growth. Smt. Nirmala Sitharaman *said that there has been significant investments in transport and logistics, which is improving supply chain efficiency and global competitiveness.*

The Union Minister also mentioned that MSMEs are being supported through key initiatives such as revision in definition of MSMEs, Udyam registration, revamp of Credit Guarantee Schemes, TReDS, and Exim Bank's Ubharte Sitaare Programme.

There is a focus on enhancing access to trade finance through platforms like ITFS and Exim Bank's subsidiary in GIFT City, Exim Finserve, which is offering export factoring, the Minister added.

Smt. Nirmala Sitharaman also said that cluster development for trade is being pursued under the Districts as Export Hubs initiative, enabling exporters to operate beyond SEZs and directly from their local districts.

India is actively negotiating FTAs with several geographies, with the agreement with the European Union and USA also close to finalisation, Smt. Nirmala Sitharaman said. The Finance Minister also highlighted the role of Production-linked incentive scheme, with exports catalysed through the scheme exceeding ₹5.3 lakh crore.

Speaking on the occasion, Shri Pankaj Chaudhary, Minister of State for Finance, highlighted the growing competitiveness of Indian exporters and measures undertaken by the Government of India for enhancing credit flow for Indian enterprises, particularly for MSMEs.

In his address, Shri. M. Nagaraju, Secretary, Department of Financial Services, highlighted that the financial system is firmly positioned to drive sustained economic growth and trade in Viksit Bharat.

The key milestones achieved under Exim Bank's Trade Assistance Programme (TAP) were highlighted during the Conclave.

During the event, the Union Finance Minister Smt. Nirmala Sitharaman virtually inaugurated Exim Bank's new offices in Lucknow, Indore and São Paulo, Brazil, in the presence of Shri Pankaj Chaudhary, Minister of State for Finance and Shri M. Nagaraju, Secretary, Department of Financial Services, Ministry of Finance, Government of India. These offices will play a key role in supporting existing and aspiring exporters, and facilitating access to new markets.

During the Conclave, Ms. Harsha Bangari, Managing Director, Exim Bank noted that support provided by the Bank has been a key enabler for Indian companies to scale up export capacities, move up the value chain and undertake complex project exports across various geographies.

Smt. Nirmala Sitharaman presented sanction letters to selected SMEs being supported under the Ubharte Sitaare Programme. Exim Bank also exchanged a technical assistance agreement with IIT Kanpur for supporting high-potential startups.

Minister of State for Finance, Shri Pankaj Chaudhary also released Exim Bank's research publications titled 'India's Need to Secure Critical Minerals for Energy Transition', 'India's Defence Equipment Industry: Exploring New Frontiers' and 'Textile & Allied Products Trade under ASEAN-India Trade in Goods Agreement: Value Chain Analysis'. These studies offer insights into the recent dynamics in these sectors and outline strategies to enhance their export competitiveness.

This event was attended physically and virtually by over 200 participants from the Indian industry, heads of banking/financial institutions, exporters, export promotion councils, and academia.

India could reach $9.82 trillion in economic activity by 2035: PwC report

Indian businesses have the potential to generate $9.82 trillion in economic value by moving beyond traditional sector-based models and addressing fundamental human and industrial needs, a report by PwC India said.

The PwC report, Navigating the Value Shift, estimates that Indian businesses can unlock $9.82 trillion in gross value added (GVA) by 2035 by tapping into about nine growth domains. As per the report, total GVA of India will grow from $ 3.39 trillion in 2023 to 9.82 trillion in 2035, that is a CAGR of 9.27%.

GVA is essentially a measure of the value of goods and services produced in the economy and is an indicator of economic performance and productivity used to estimate GDP after adjusting for taxes and subsidies.

The report introduces a new framework that *focuses on "domains" or broad areas of human need such as how we live, move, care, build and power society.*

The report added that these domains reflect how value is being created in an economy and is shaped by climate change, demographic shifts and technological disruption. Each domain brings together multiple industries and encourages cross-sector collaboration to deliver integrated solutions, the PwC report added.

"India CEOs are already responding to these shifts. In PwC's 28th Annual Global CEO Survey: India perspective published in January 2025, 40% of India CEOs stated that their companies have entered at least one new sector in the past five years, with half of them generating up to 20% of their revenue from these new ventures," said Shri Sanjeev Krishan, Chairperson, PwC in India. "But to sustain momentum and unlock full value, businesses must move beyond ad hoc diversification. A domain-led lens that goes beyond the sector-led approach provides a powerful way to reimagine capabilities, collaborate across ecosystems, and build future-ready business and revenue models."

The report also identified nine domains, including how we make, how we build, how we care and how we move. Among these, the "How we make" domain, which includes manufacturing and industrial production could be one of the biggest contributors and has a potential to grow from $945 billion in 2023 to about $2.7 trillion in GVA by 2035. This growth is expected to be driven by digital innovation, automation and the growing emphasis on advanced manufacturing.

Another significant domain is "How we build," which is undergoing rapid transformation as technology reshapes construction, real estate and infrastructure. Traditional sectors are being augmented by smart buildings, sustainable materials and data-driven management tools, reflecting a shift toward more intelligent, efficient and integrated built environments.

The telecommunications sector illustrates how domain-based thinking can open up multiple pathways for growth. Beyond connectivity, telecom companies are supporting smart mobility, enabling telehealth and wearable devices, securing food supply chains through blockchain authentication, and linking broadband networks with energy infrastructure. These applications cut across several domains, creating new value pools through ecosystem collaboration.

To help businesses navigate this shift, the report outlines a structured framework that includes "glidepaths and guardrails"—strategic steps and risk mitigators for entering new domains. These include mapping ecosystem partners, bridging capability gaps, setting up intelligent foresight engines and developing clear entry and exit strategies.

"In an environment where businesses are constantly seeking clarity on where to play and how to play, our research offers both strategic direction and how to play, our research offers both strategic direction and a framework for them to engage creatively with growth opportunities they may not have necessarily identified," said Shri Raghav Narsalay, Partner and Leader – Research and Insights Hub, PwC India.

The estimates in the report are based on economic modelling using the International Standard Industrial Classification (ISIC), and draw from data sources including the IMF, RBI and the IIASA Shared Socioeconomic Pathway 2 (SSP2). Sectors ere mapped to domains using input-output tables to assess where they align most strongly and how value flows between them.

With India targeting a $30 trillion economy by 2047, PwC's domain-based approach suggests that companies who align with these human and industrial needs—and collaborate across sector lines—will be best positioned to drive and benefit from the country's next phase of inclusive and sustainable growth.

IPCC 2023 Reveals Costs & Emissions in Textile Production

The International Textile Manufacturers Federation (ITMF) has released the latest edition of the International Production Cost Comparison (IPCC), focusing on 2023 data. This comprehensive study benchmarks manufacturing costs across primary textile value chains and breaks down major cost components at each production stage. The report benchmarks manufacturing costs for a range of textile products along the primary textile value chain, disaggregated by key cost components at each production stage.

This edition of the IPCC covers cost data for the year 2023. Given the high level of expertise and detailed industry input required to produce the report, the process was extended to allow for the necessary engagement of industry specialists under exceptionally demanding conditions in the last two years.

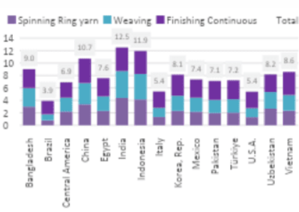
This extended timeline eventually provided an opportunity to deepen the analysis as the report now includes Uzbekistan and introduces a detailed calculation of the carbon footprint associated with each textile product covered, assessed across the full value chain. The report still presents comparative insights on cost structures, covering cost factors, manufacturing costs, and total production costs, across the spinning, draw texturing, weaving, knitting, and finishing segments.

Due to the complex nature of the data and the involvement of expert industry input under difficult conditions over the past two years, the report's development timeline was extended. However, this allowed for deeper analysis, including the inclusion of Uzbekistan and an expanded carbon footprint assessment for all textile products analyzed.

The report continues to offer cost comparisons across spinning, draw texturing, weaving, knitting, and finishing, analyzing cost factors, manufacturing, and total production expenses. For instance, producing one meter of cotton woven fabric in a continuous open width process averaged USD 0.94 in 2023 (excluding raw material), ranging from USD 0.70 in Bangladesh to USD 1.54 in Italy. Spinning yarn contributed USD 0.31/m (Bangladesh: USD 0.23/m, Italy: USD 0.54/m), weaving added USD 0.25/m (Pakistan: USD 0.14/m, Italy: USD 0.41/m), and finishing added USD 0.38/m (Bangladesh: USD 0.30/m, Italy: up to USD 0.58/m).

The spinning cost of NE 30 ring yarn averaged USD 1.63/kg, varying by region—USD 1.19/kg in Vietnam and up to USD 2.85/kg in Italy. Labor costs were highest in Italy (USD 0.97/kg), followed by the US (USD 0.69/kg) and Korea (USD 0.54/kg). At the lower end, labor costs were only USD 0.07/kg in Indonesia, USD 0.03/kg in Egypt, and just USD 0.02/kg in Bangladesh. Energy costs were highest in Central America, Italy, and Mexico, while Pakistan and Egypt had the lowest.

A new addition to the report is the carbon footprint analysis of producing one meter of finished cotton woven fabric using open-width finishing. India reported the highest emissions—over 12.5 kg CO_2e/kg—mainly from the spinning (4.4 kg) and weaving (4.3 kg) stages. China also showed high emissions, especially in finishing (3.9 kg). On the other hand, Brazil recorded the lowest emissions at under 4 kg CO_2e/kg, largely thanks to its renewable energy usage. The US and Italy



showed lower emissions in early processing stages, reflecting efficiency, while Uzbekistan entered the study with moderate, consistent figures.

The carbon footprint analysis for woven fabrics finished using continuous open width (COW) processes also reveals significant variation across countries, reflecting differences in energy efficiency, production technologies, and energy sources. Among all countries studied, India reports the highest total carbon footprint, with combined emissions from spinning, weaving, and finishing reaching more than 12.5 kg CO_2e per kg of textile, driven particularly by high-intensity spinning (4.4 kg) and weaving (4.3 kg) stages.

China also ranks among the highest emitters, notably in the finishing stage (3.9 kg), highlighting the energy demands of downstream processing. In contrast, Brazil stands out with the lowest total carbon footprint, at just below 4 kg CO_2e per kg, benefiting from low-emission spinning and weaving processes, supported by its renewable energy mix.

The United States and Italy also demonstrate relatively low emissions in the early stages of production, reflecting advanced process efficiencies. The newly added Uzbekistan enters the comparison with moderate emissions across all segments, showing potential for improvement in line with global best practices.

These findings underscore the critical role of energy source and process optimization in reducing the environmental impact of textile production.

For detailed insights and full datasets—including products like NE 30 yarn, textured polyester, and various finishing techniques—visit www.itmf.org/publications.

Textile Exchange's Guide to Credible Regenerative Agriculture Claims

New guide to help brands make credible claims about regenerative agriculture

Textile Exchange has released a new guide to help brands, producers, and other stakeholders make effective and credible claims about their work supporting regenerative agriculture.

Regenerative agriculture is place-based and context-specific, which means it doesn't have a single "one-size-fits-all' definition. This can make it challenging to communicate claims accurately and effectively and as such there is rising concern that the promise of regenerative is being diluted.

To help address this and to protect and elevate the work of those that are committed to regenerative outcomes, Textile Exchange has created A Guide to Credible Regenerative Agriculture Claims. It is designed to help brands overcome such challenges and sets out the key principles to follow to make claims clear, accurate, and relevant, and supported by transparent and robust systems.

The guide also includes sections on the different types of regenerative agriculture claims, how they should be managed and reported, and how to avoid issues such as greenwashing and greenhushing.

Why the guidance is needed

In recent years, interest in regenerative agriculture has grown among brands and customers, driven by increasing awareness of the impact that the fashion, textile, and apparel industry has on the environment. Making credible, verifiable claims not only builds customer trust and enhances brand value. It promotes the beneficial impact regenerative agriculture can have and helps drive the meaningful change we need to see across the industry.

By following this guide, which aligns with best practices such as the ISEAL Credibility Principles and UN Principles for Sustainable Fashion Communication, brands can avoid reputational risks, enhance customer confidence, and help increase awareness of effective regenerative systems.

What's included in the guide

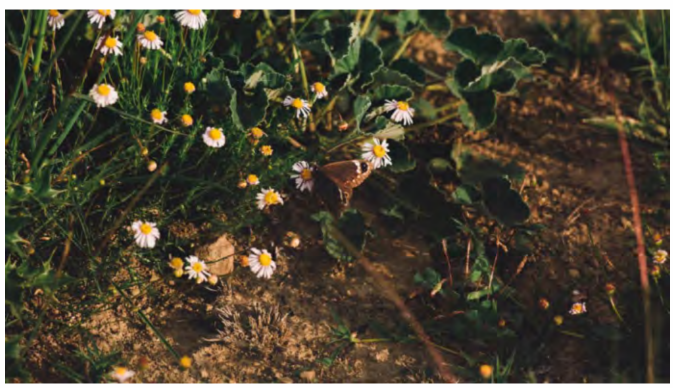
The guide has been created primarily for brands, while also addressing the needs of producers and other stakeholders. It has been designed to be easy to use, with clearly defined sections including:

- *Six takeaways for brands to follow when creating credible claims*
- *The key challenges brands face when making claims*
- *The different types of regenerative agriculture claims*
- *How to effectively make, manage, and report on credible claims*
- *The role of companies in supporting regenerative outcomes*

Textile Exchange's regenerative agriculture tools

The guide is the latest in a series of regenerative agriculture tools and resources from Textile Exchange, sitting alongside the Regenerative Agriculture Landscape Analysis and the Regenerative Agriculture Outcome Framework. They are designed to work together helping brands understand regenerative agriculture, implement it in supply chains, measure outcomes, and communicate efforts credibly.

Please note: *The guide is not intended to be legal advice, but rather has been created in good faith as a service to the industry to help brands and others navigate what is needed to support crafting credible regenerative agriculture claims.*



India-UK FTA not only boost exports but also the economy through higher remittances and domestic spending: Report

In 2024, Indian workers abroad sent home around $130 billion, making up 3.3 per cent of the country's GDP.

The recently finalised free-trade agreement (FTA) between India and the United Kingdom (UK) will not only boost Indian exports and increase the mobility of Indian workers in the UK but also support India's economy through higher remittances and domestic spending noted a report by S&P Global Market Intelligence.

In 2024, Indian workers abroad sent home around $130 billion, making up 3.3 per cent of the country's GDP. UK remains the third-largest source of these remittances, after the US and UAE.

Under the new deal, Indian ICT workers posted in UK will benefit from a waiver on national insurance contributions for up to three years, allowing them to save more and potentially send more money back home.

The FTA also promises to double trade in goods and services between India and the UK by 2030, up from $56.7 billion in 2024. Indian exports, especially textiles and apparel--which face challenges in the US market--are expected to benefit from improved access to the UK market.

For the UK, the deal opens up greater access to India's fast-growing middle class, although immediate trade benefits will be seen in the beverage sector, with tariffs halved on 97 per cent of whisky and gin exports. However, the deal excludes pharmaceutical exports, limiting some of the economic benefits for Britain.

There is also a lack of clarity on how UK car exports to India will operate under the new quota system.

The agreement is part of India's larger push to secure trade pacts with key global partners.

In 2025 and 2026, India aims to finalize similar deals with countries in the Gulf, Australia, Japan, Southeast Asia, and Latin America. These efforts are aimed at strengthening India's global trade network amid shifting international trade policies.

The swift signing of the India-UK deal is a significant step for the UK as well, helping the country reshape its trade relationships after Brexit and reduce supply chain disruptions.

Overall, the trade agreement is expected to strengthen economic ties between India and the UK, while also enhancing India's position in global trade.

Startups to giants: India rides the AI wave to sustainability

India is fast becoming a global vanguard in marrying artificial intelligence (AI) with sustainable development. As the world faces mounting climate challenges, the country' businesses, ranging from IT behemoths to climate-tech start- are weaving AI into the fabric of their green goals, making one of the most AI-active nations in sustainability initiatives.

Pic courtesy: TOI

A striking 64% of Indian companies are now actively deploying AI to boost the impact of their sustainability efforts — the highest proportion among surveyed countries, according to IBM's 2024 sustainability readiness study. This isn't just a sign of technological enthusiasm, but of a maturing mindset that places environmental responsibility at the heart of corporate strategy.

India's journey is as much about economic transformation as it is about ecological conscience. In 2022–23, the digital economy accounted for nearly 12% of the national income, underlining the country's success in harnessing tech for green growth.

Textile Exchange Releases First Annual 2025 Sustainable Cotton Challenge Report

A catalyst to spur a shift in the market toward the use of more sustainable cotton.

The 2025 Sustainable Cotton Challenge serves as a cornerstone for change in the apparel and textile industry by encouraging brands and retailers to commit to source 100% of their cotton from the most sustainable sources by the year 2025. The Challenge was formed in 2017 when His Royal Highness The Prince of Wales convened a group of CEOs through the work of his International Sustainability Unit that existed to address critical challenges facing the world. Those original 13 CEOs committed to work together to accelerate the use of sustainable cotton, which paved the way for other industry leaders to follow – resulting in 39 companies now committed to sourcing 100% sustainable cotton by 2025.

At the time of its inception, the 2025 Sustainable Cotton Challenge was known as the "Sustainable Cotton Communiqué" and its purpose was, and still is, to increase the uptake of organic and preferred cotton, therefore increasing the income of smallholder farmers, eliminating highly hazardous pesticides, eliminating or reducing the amount of pesticides and synthetic fertilizer *used, reducing water use and improving water quality and soil health, which includes positive carbon impacts as a result of more sustainable practices. Mike Barry, Director of Sustainable Business at M&S said, "There is growing recognition of the enormous social and environmental impact of the global fashion industry. The 2025 Sustainable Cotton Challenge shows how by working collaboratively the sector can scale rapidly solutions that are good for farmers, the environment and consumers alike." Today, 19% of the world's cotton is more sustainable. By 2025, it is the vision of this Challenge that more than 50% of the world's cotton is converted to more sustainable growing methods.*

Brands and retailers joining the challenge and committing to source more sustainable cotton, can choose from sources that are included on Textile Exchange's list of recognized organic and sustainable cotton initiatives. ***These initiatives include:***

- **ABRAPA*
- **BASF e3*
- *Better Cotton Initiative (BCI)*
- **Cleaner Cotton*
- *Cotton made in Africa (CmiA)*
- *Fairtrade*
- **Fairtrade Organic*
- **Field to Market*
- **ISCC*
- **myBMP*
- *Organic*

Recycled cotton (that is certified to an independently verifiable standard such as the Global Recycled Standard (GRS) or the Recycled Claim Standard (RCS))

- **REEL Cotton*
- **Regenerative Cotton*
- **Transitional Cotton*

** Denotes initiatives being Benchmarked starting in 2019.*

This first annual report provides information and statistics on the achievements and impacts these programs are having on water, communities, soil quality, biodiversity and social considerations and regulations. By committing to use cotton from these initiatives and standards, the brands are ensuring that the intentions of their sustainable sourcing strategies are maintained and the integrity of their commitments are uncompromised.

KEY FINDINGS

Of the 39 2025 Sustainable Cotton Challenge signatories, 30 participated in the 2018 Preferred Fiber and Materials Benchmark program to report on their progress towards their goal of 100% cotton being sourced from the approved initiatives by 2025:

- *10% of 2025 Sustainable Cotton Challenge signatories have achieved their 2025 target of 100% preferred cotton usage, all of which are organic.*
- *37% have achieved a preferred cotton share of between 75-99%.*
- *23% have achieved a preferred cotton share of between 50-74%.*
- *7% have achieved a preferred cotton share of between 25-49%.*
- *17% have achieved a preferred cotton share of less than 24%.*
- *6% of cotton is not tracked yet.*
- *From the niche to a market share of 19 percent, preferred cotton is gaining ground.*

"The tide is turning on traditional supply chains, with demands for greater transparency generating a change from transactional relationships to transformational partnerships," said Alison Ward, CEO for CottonConnect. In order for sustainable cotton to become standard business practice, the amount of sustainable cotton grown and bought must increase significantly. The 2025 Sustainable Cotton Challenge pledge sends a signal to millions of producers that there is a real demand for a more sustainable approach to cotton production that reduces the environmental and social costs. Liza Schillo, Manager of Global Product Sustainability at Levi Strauss & Co. said, "Greater transparency across the supply chain and stronger, more strategic relationships between supply chain partners will be critical to the much-needed widespread adoption of sustainable farming practices around the world."

2025 ESG Trends in the European Textile Sector

The European textile sector is undergoing a pivotal transformation driven by Environmental, Social, and Governance (ESG) principles.

Sustainability is now a top priority across industries. In Europe, textile manufacturers and fashion retailers must adapt to new ESG rules and rising consumer expectations. By 2025, ESG trends will transform design, production, reporting, and marketing in the textile sector. Companies that act early will gain an edge. Those that delay risk damage to their reputation and finances.

1. Corporate Sustainability Reporting Directive (CSRD) : *One of the most impactful ESG trends in 2025 is the full implementation of the Corporate Sustainability Reporting Directive (CSRD). This regulation requires large European companies to publish detailed ESG disclosures, including climate-related risks, supply chain transparency, and social impacts. Textile giants like Inditex and PVH are leading the way in adapting to new ESG regulations. To stay ahead, they are investing in digital infrastructure and building strong ESG teams. Inditex, the parent company of Zara, has launched a comprehensive ESG reporting platform. Meanwhile, PVH is enhancing its capabilities in environmental data analytics. These efforts reflect a broader industry shift. Textile professionals must now prepare for a new era of transparency, where both investors and consumers expect clear, verified, and comparable ESG data.*

2. Ecodesign for Sustainable Products Regulation (ESPR) : *The introduction of the Ecodesign for Sustainable Products Regulation (ESPR) marks another game-changing shift for the industry. This legislation sets out sustainability criteria for textiles, such as durability, reparability, and recyclability. In 2025, European companies are expected to integrate these principles at the design stage. Inditex has already piloted collections that meet ESPR standards by using long-lasting fabrics and modular designs. PVH, meanwhile, is exploring bio-based materials and design-for-disassembly methods. For professionals, adapting product development processes to comply with ecodesign standards is not just a regulatory necessity—it's also an opportunity to drive innovation and brand loyalty.*

3. Digital Product Passports (DPPs): *Digital Product Passports (DPPs) are another emerging ESG trend in the European textile sector. These passports store key information about a product's environmental and social footprint, from raw materials to end-of-life options. In 2025, companies like Inditex and PVH are expanding pilot programs across Europe, enabling consumers to access transparent sustainability data via QR codes. By embedding DPPs in garments, brands enhance supply chain traceability and build trust with increasingly conscious consumers. Textile professionals should focus on integrating DPPs into their operations and leveraging the data to improve sustainability performance.*

4. Green Claims Directive and Marketing Compliance: *As sustainability becomes a competitive differentiator, the European Union is clamping down on misleading environmental claims through the Green Claims Directive. This initiative requires companies to substantiate any green marketing with scientific evidence. In 2025, fashion brands operating in Europe must navigate stricter compliance standards. Inditex has revised its marketing language to align with the directive, while PVH has introduced third-party verification for its sustainability labels. Professionals in branding,* *communications, and compliance need to collaborate closely to ensure all ESG claims are accurate, consistent, and legally sound.*

5. Circular Economy Initiatives: *Circular economy initiatives are gaining traction as a key ESG trend in 2025. European textile companies are investing in repair, resale, and recycling programs to reduce waste and extend product lifecycles. Inditex's "Zara Pre-Owned" platform allows customers to resell and repair items, promoting circular consumption. PVH has partnered with recycling firms to develop closed-loop textile systems. These initiatives not only address environmental concerns but also open new revenue streams and enhance brand reputation. Textile professionals should explore circular business models and partnerships to stay ahead in a rapidly evolving landscape.*

Looking Ahead: What Professionals Should Watch

Looking ahead to 2025, the convergence of ESG regulations, consumer expectations, and technological innovation is fundamentally reshaping the European textile sector. Companies like Inditex and PVH are setting the benchmark by embedding ESG principles across their operations. For professionals in the industry, the key to success lies in staying informed, investing in ESG skills, and embracing a proactive approach to sustainability. As ESG trends in the European textile sector continue to evolve, those who adapt swiftly will drive lasting value for their businesses and the planet.

As the ESG trends in the European textile sector accelerate, staying ahead demands not only awareness but also education. To support industry professionals in navigating this complex landscape, the Centre for Sustainability and Excellence (CSE) offers specialized training through its Europe/ Sustainability (ESG) Certified Training Course. This course is designed to equip textile sector leaders with the latest tools, regulatory insights, and best practices in ESG integration. Whether addressing CSRD compliance, ESG strategies, or digital transparency, targeted education empowers professionals to lead sustainable transformation confidently

Finland's Spinnova fiber technology

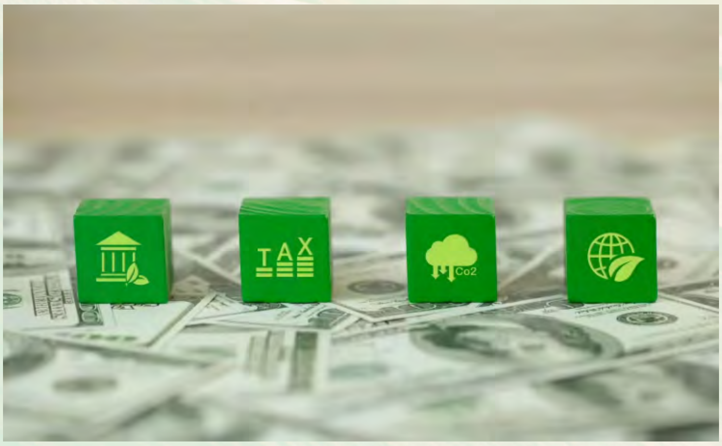
Spinnova Plc (natively Spinnova Oyj) is a Finnish textile material innovation company that has developed a patented technology for making textile fibre from wood, pulp, or waste, without harmful dissolving chemicals.

Spinnova produces textile fiber from wood and agricultural waste without toxic chemicals. Its zero emission "Woodspin" facility now produces 1,000t/year, and Spinnova plans full ownership June 2025.

The company has developed a technology which can transform cellulosic pulp into fiber for the textile industry. The company's headquarters and pilot factory are located in Jyväskylä, Finland, and it has offices in Helsinki, Finland. In 2021, Spinnova and its partner, Suzano Papel e Celulose, announced plans to build the first commercial-scale fiber production facility in Jyväskylä. The facility, called Woodspin, opened in May 2023, with a capacity to produce 1,000 tonnes of sustainable, recyclable and fully biodegradable textile fibre from responsibly-grown wood each year. In June 2025 a non-binding agreement with Spinnova and Suzano was announced according to which Spinnova would aquire full ownership of the Woodspin facility from Suzano with a nominal sum of one euro.

Spinnova's technology, initially developed at the VTT Technical Research Centre of Finland, led to the formation of an independent company in 2014. This technology is focused on mechanically converting cellulosic fiber into textile fibers using bio-based raw materials. Spinnova has incorporated various materials in its fiber production, including wood, textile waste, and agricultural by-products like wheat and barley straw. In 2021, the company expanded its research and development efforts to include the creation of fibers derived from leather waste.

Exports to UK carry tariff risk as carbon tax left out of FTA



India's goods exports worth at least $775 million to the UK continue to face the risk of higher duties under its Carbon Border Adjustment Mechanism (CBAM) despite the conclusion of a Free Trade Agreement (FTA) earlier this month, a UK official said Tuesday. A policy that was first proposed by the European Union and later by the UK, CBAM seeks to put a tariff of up to 35 per cent on carbon intensive products such as iron, steel and aluminium.

During negotiations, India had sought to secure a carve-out for MSMEs from the CBAM policy after exporters told the Ministry of Commerce and Industry they were not in a position to meet its extensive data requirements. Exporters had also raised concerns that complying with carbon tax could compromise confidential trade data of manufacturers.

Confirming that CBAM was not part of the India–UK FTA, the UK official said these types of mechanisms usually don't form part of the deal. Arguing that CBAM is not WTO-compliant, India had also proposed a 'rebalancing mechanism' which would require UK to compensate Indian industries for losses incurred due to the policy.

Trade experts said under the trade deal, the UK has agreed to allow 99 per cent of India's exports to enter duty-free. This concession could, however, be undermined as select Indian goods may face tariffs of 20–35 per cent, equivalent to the CBAM charges. Earlier this month, an Indian government official said India reserves the right to retaliate against losses caused by CBAM. The official said if India were to tax these products domestically, the industry could avoid paying the UK tax, and the revenue could support India's own sustainability initiatives.

The carbon tax negotiations are significant, as the UK's CBAM — set to take effect in 2027 — will initially target carbon-intensive products such as iron, steel, aluminium, fertilizers', hydrogen, ceramics, glass and cement, with scope to expand the list in future. According to the think tank Global Trade Research Initiative (GTRI), the carbon tax could impact $775 million worth of Indian exports. "By not securing a carve-out or exemption clause on CBAM, India lost a vital opportunity to protect its carbon-intensive exports. From January 2027, the UK can impose carbon taxes on Indian steel and aluminium, even as we grant UK goods duty-free access. That's a serious asymmetry. Expect the same treatment in India's FTA with the EU," said Ajay Srivastava, founder of GTRI.

Challenge at the WTO

As no concession was secured under the FTA, India could challenge the regulation at the WTO on the grounds that CBAM violates special and differential treatment (SDT) provisions, which advocate longer implementation periods for developing countries to protect their trade interests. However, trade law experts warn that the CBAM regulations in both UK and EU could be in effect by the time the WTO rules on the matter, given that WTO's Dispute Settlement Body (DSB) is not functional. They also said there is limited likelihood of an adverse ruling on CBAM at the WTO, as the EU remains one of the strongest supporters of the institution. A more probable outcome would be adjustments to the regulation rather than its complete withdrawal.

EU refuses to negotiate on carbon tax

The European Union on Tuesday refused to consult with Russia on concerns relating to carbon tax. However, this refusal will not affect Russia's case at the WTO.In its request for consultation, Russia argued at the WTO that CBAM was a highly trade-restrictive and discriminatory mechanism established by the EU under the guise of climate policy.

"As the EU itself puts it, 'the introduction of a CBAM leads to a reduction in imports in the EU27', while the CBAM is used as an instrument to boost competitiveness and unlock additional investment capacity in the EU," Russia said in its submission. Refusing the consultation, the EU stated it would "not consult with the Russian Federation on the matter at hand as long as the Russian Federation continues to violate international law through its war of aggression against Ukraine".

Centre drafts proposal on emission reduction targets for PSU and private refineries, along with textile sector

The Indian government has for the first time proposed greenhouse gas (GHG) emission reduction targets for petroleum refineries, petrochemical units and the textile sector, as a step toward the Nationally Determined Contributions (NDCs) that it has committed to under the Paris Agreement, 2015, Moneycontrol has learnt.

NDCs are climate action plans submitted by nations under the Paris Agreement, wherein India has pledged to a 45 percent reduction in GHG emission intensity by 2030 compared to 2005 levels.

The Ministry of Environment, Forest and Climate Change (MoEFCC) has prepared a draft notification in which all refineries – both PSU and private ones - have been given specific trajectories for reducing their carbon footprint. Units that reduce emissions below the targetted GHG emission intensity shall be eligible for issuance of carbon credit certificates, while those who are not able to achieve the target will be required to surrender or purchase equivalent number of certificates, based on the shortfall.

All refineries and petrochemical units of Indian Oil Corporation (IOC), Bharat Petroleum Corporation (BPCL), Hindustan Petroleum Corporation (HPCL), Reliance Industries, Nayara Energy, ONGC and GAIL have been given such emission reduction mandates, as per the draft notification seen by Moneycontrol.

From a longer term perspective, imposing emission intensity reduction targets on refineries implies they will have to gradually transition to cleaner fuels such as green hydrogen and invest in renewables.

The calculation for each unit is done in tonnes of carbon dioxide (tCO2) per tonne of production. For example, IOC's Guwahati Refinery in Assam has been mandated to reduce its GHG emissions from a baseline of 7.78 tonnes of carbon dioxide in FY24 to 7.03 tonnes of CO2 per tonne of its production by FY27. Similarly, BPCL's Mumbai Refinery has been mandated a GHG emission reduction to 3.80 tCO2 per tonne of production against a baseline of 3.97 tCO2.

The MoEFCC had issued a draft notification on GHG emission reduction targets in April this year, but that list included only aluminium, cement, chlor-alkali, and the pulp and paper sectors. The April mandates were for 130 industrial entities across four sectors including major players such as Vedanta, Hindalco, Nalco, UltraTech, ACC, Ambuja, Dalmia and JSW Cement.

In cement, the targets range from 4.7 per cent to 7.6 per cent for ordinary Portland cement (OPC) and pozzolana Portland cement (PPC) units; aluminium, from 2.8 per cent to 7.06 per cent; pulp & paper targets reach up to 15 per cent over two years; and chlor-alkali ranges from 3.3 per cent to 11 per cent.

The revised draft has put GHG emission reduction mandates on refineries and the textile sector for the first time.

The document states that in case an obligated entity fails to comply with GHG emission intensity target, or fails to submit the carbon credit certificates equivalent to the shortfall for compliance, the Central Pollution Control Board (CPCB) will then impose an 'environmental compensation' on the entity for the shortfall in the respective compliance year. The environmental compensation will be equal to twice of the average price at which carbon credit certificate is traded during the trading cycle of that compliance year. The average price shall be determined by the Bureau of Energy Efficiency (BEE), the nodal agency for carbon trading.

The MoEFCC is currently seeking comments from stakeholders and the public regarding the draft published on June 24, and a final notification is expected in the next 3-4 months, according to officials in the ministry.

India has pledged to achieve net-zero emissions by 2070, as announced at COP26. This commitment is part of India's NDC to the UNFCCC, which outlines the country's climate action targets.

The Centre is also likely to launch the much-awaited Indian Carbon Market in 2026, allowing for carbon certificate trading.

AEPC celebrates International Yoga Day

To commemorate the International Day of Yoga (IDY) – 2025, the Council had organized a Yoga Session in its Head Office through a qualified Yoga Instructor. In the beginning the employees took the Yoga Pledge and after the yoga session, the instructor gave the attendees a rundown of the health advantages of desktop yoga, laughter yoga, stress management, mindfulness meditation, sound healing meditation, and power yoga.

Besides this, the Council had uploaded a specially designed web banners in its website attaching the details about Common Yoga Protocol (CYP). Additionally, on the occasion of IDY-2025, awareness messages were issued to the trade asking them to encourage their friends and staff to follow the Common Yoga Protocol (CYP) and host yoga sessions at their offices.

To encourage the Council's employees to imbibe and follow the CYP in their daily life an online quiz was rolled out and three winners were felicitated on the occasion.

Highlights from the Council's yoga session.

AEPC observed the World Environment Day

The council celebrated "World Environment Day" on 5th June, 2025, at its head office. To convey the message of "Let's nurture nature for our better future" in the trade and industry, a web banner was uploaded on the AEPC website.

The day started with serving of morning tea/coffee in earthen pots ("Mitti ke Kulhar") in the office. Employees of the Council wore green-colour clothes to mark the occasion.

The SG AEPC with other officials of the Council planted trees at Apparel House, Gurgaon on the day. A session was conducted by the lead gardener for the employees on how to properly care for indoor plants ensuring they receive the proper amount of light, water nutrients and the soil mix to grow healthily. Live demonstration was organized for growing Holy Basil, Jade plant, Snake plant and replanting plants with long and entangled roots.

Chairman AEPC meets Hon'ble Minister of Commerce & Industry to Discuss US Reciprocal Tariffs

The Chairman of Apparel Export Promotion Council (AEPC), Shri Sudhir Sekhri and Chairman of TEXPROCIL Shri Vijay Agarwal met the Hon'ble Minister of Commerce and Industry, Shri Piyush Goyal, in New Delhi, to apprise him of key concerns related to the proposed India-US Bilateral Trade Agreement.

The meeting was sought in the wake of recent reports suggesting that reciprocal tariffs of up to 26% may be imposed post the July 9 deadline, which could have a significant impact on India's textile and apparel exports to the United States. The Chairmen expressed deep concern over the potential ramifications for the labour-intensive textile and clothing sector, which is a major contributor to India's export economy and employment.

During the discussions, the Chairmen highlighted that apparel and home textiles are among the leading export categories to the US, and would be disproportionately affected by any tariff hike. They also drew attention to the likely consequences in terms of decline in exports and job losses, particularly in MSME segments and rural employment clusters.

The Hon'ble Minister gave a patient hearing to the concerns raised and assured the delegation that the Government was committed to protecting labor-intensive sectors during the ongoing negotiations under the India-US Bilateral Trade Agreement. He reiterated that all necessary steps would be taken to ensure that India's interests, especially those of vulnerable sectors like textiles and apparel, are safeguarded.

The interaction reflects the Government's proactive approach in engaging with stakeholders and underscores its commitment to ensuring the sustained growth and global competitiveness of India's textile and apparel sector.

19th Customs Consultative Group (CCG) meeting in Bengaluru

AEPC participates and represents the garment sector during the meeting

The 19th meeting of the Customs Consultative Group (CCG) was held on July 2-3, 2025, in Bengaluru under the chairmanship of Shri Surjit Bhujabal, Member (Customs), Central Board of Indirect Taxes and Customs (CBIC), Ministry of Finance.

AEPC participated in the meeting and as part of the deliberations Shri Mithileshwar Thakur, Secretary General, Apparel Export Promotion Council (AEPC), gave a presentation on "Challenges, Opportunities, and Strategies for the Apparel Sector". His valuable insights on key issues affecting the apparel industry, emerging opportunities in the global trade, and policy strategies to enhance the sector's competitiveness and export potential during the meeting was well appreciated by all the Association officials and Senior officers of the Department of Revenue.

The meeting witnessed active participation from senior officials of CBIC and its field formations, along with representatives from RBI, DGFT, Bureau of Indian Standards (BIS), Department for Promotion of Industry and Internal Trade (DPIIT), Department of Posts, Ministry of Shipping, Airport Authority of India, Central Pollution Control Board, Animal Quarantine Department, Central Drugs Standard Control Organization (CDSCO), and the Food Safety and Standards Authority of India (FSSAI).

A total of 181 agenda points were sponsored by stakeholders and deliberated upon during the two-day event.

During interaction, Shri Surjit Bhujabal emphasised the critical role played by CCG in enhancing trade facilitation and fostering an enabling environment for ease of doing business. He noted that the CCG has proven to be a model of responsive governance, bringing about both policy-level and operational changes. He cited the previous CCG meeting held in November 2024, during which 116 out of 136 agenda points were successfully addressed through policy circulars, operational instructions, and the development of new subsystems under ICEGATE, the Customs clearance gateway.

Shri Bhujabal further highlighted the alignment of CCG's work with the National Trade Facilitation Action Plan (NTFAP), which synergizes multi-ministerial efforts on trade infrastructure, policies, and regulatory frameworks.

Key decisions taken during the meeting included:

- *Introduction of a new policy on the discharge of bulk liquid cargo, enabling optimal utilization of limited port storage infrastructure.*
- *Development of a Standard Operating Procedure (SOP) for duty drawback claims on jewellery sold at international exhibitions.*
- *Review of the Authorized Economic Operator (AEO) framework for enhanced trade facilitation.*
- *Strengthening collaboration between CBIC and the Department of Posts to support small exporters.*
- *Complete shift to the e-Bank Guarantee module to simplify regulatory compliance procedures.*
- *Agreement to conduct field-level studies to assess specific trade concerns and identify avenues for further facilitation.*

Since 2011, the CCG is the apex national platform for deliberation on all matters concerning customs clearance of merchandise in international trade. The Group comprises prominent representatives from industry chambers such as CII, FICCI, ASSOCHAM, FIEO, MAIT, NASSCOM, PHDCCI, STPI, as well as associations of logistics partners including customs brokers, freight forwarders, liquid bulk cargo handlers, port operators, and banks. This year Export Promotion Councils and two associations representing the air freight sector were also inducted into the CCG.

The 19th CCG meeting reaffirmed CBIC's commitment to continuous stakeholder engagement, policy responsiveness, and further streamlining of India's international trade ecosystem.

Poland

Economic Overview:

High-income, diversified, EU-member economy; significant growth in GDP, trade, and investment since joining EU in 2004; private consumption and EU-funded public investments driving GDP growth; increased social spending, flooding recovery costs and defense spending have added to public debt.

♦ Economic Indicators:

Indicators	Value (in USD)
Real GDP (Purchasing Power Parity), 2023 est	1.628 trillion
Real GDP (Growth Rate), 2023 est.	0.14 %
Real GDP (Per Capita), 2023 est.	44,400
GDP (Official Exchange Rate), 2023 est.	809.201 billion
Inflation Rate, 2024 est.	3.8 %
Source: The World Factbook – CIA 2025	

♦ Exchange Rate:

Indicators	Value (in INR)
Indian Rupees (INR) per Euro (EUR)	98.36
Euro (EUR) per US Dollar (USD)	0.87
Source: X-Rates 2025 (June 2025)	

♦ Industries:

Machine building, iron and steel, coal mining, chemicals, shipbuilding, food processing, glass, beverages and textiles

♦ Climate:

Temperate with cold, cloudy, moderately severe winters with frequent precipitation; mild summers with frequent showers and thundershowers

♦ Average Tariff for India:

9.6%

♦ Poland's RMG Trade:

Poland's RMG Import from World and India (In USD Mn.)

	2022	2023	2024	% Change 2024 over 2023
Poland's RMG imports from World	14503.3	13720.3	16148.6	17.7
Poland's RMG imports from India	539.3	494.1	609.7	23.4
India's Share in Poland's total RMG imports from World, %	3.7	3.6	3.8	
Source: UN Comtrade 2025				

The above table shows that Poland's RMG import from the World were to the tune of USD 16148.6 mn in 2024 showing a growth of 17.7 % as compared to 2023. RMG import from India has also increased to USD 609.7 mn, registering a growth of 23.4 % as compared to 2023. India's percentage share in Poland's RMG import from the World has also increased to 3.8 % in 2024.

♦ Top RMG Supplier to Poland:

The above table shows that China has remain the top supplier of RMG to Poland with 23.6 % share in 2024. India is the 10th largest supplier of RMG to Poland with 3.8 % share. Bangladesh and Turkey has a share of 22.9% and 11.0 % respectively.

Top RMG Supplier to Poland and India's Position

Position	Countries	Imported value in 2024 (in USD mn	% Share
	World	**16148.6**	**100**
1	China	3813.4	23.6
2	Bangladesh	3690.0	22.9
3	Turkey	1769.3	11.0
4	Myanmar	830.4	5.1
5	Germany	703.8	4.4
6	Cambodia	692.3	4.3
7	Morocco	644.9	4.0
8	Vietnam	640.1	4.0
9	Pakistan	612.1	3.8
10	**India**	**609.7**	**3.8**

Source: UN Comtrade 2025

♦ Poland's top 10 RMG Products Import from World vs India's share:

Top 10 RMG products imported by Poland from World (in USD mn)

S. No.	HS Code	Product label	Imported from World in 2024	Imported from India in 2024	India's Share in %
		Total RMG	**16148.6**	**609.7**	**3.8**
		Sum of Top 10	**7585.9**	**227.2**	**3.0**
1	610910	T-shirts, singlets and other vests of cotton, knitted or crocheted	1212.8	84.2	6.9
2	620342	Men's or boys' trousers, bib and brace overalls, breeches and shorts, of cotton (excl. knitted ...	1026.9	22.4	2.2
3	620462	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton (excl. knitted ...	1008.3	12.8	1.3
4	611020	Jerseys, pullovers, cardigans, waistcoats and similar articles, of cotton, knitted or crocheted ...	984.8	63.4	6.4
5	611030	Jerseys, pullovers, cardigans, waistcoats and similar articles, of man-made fibres, knitted ...	926.6	5.2	0.6
6	620240	Women's or girls' overcoats, car-coats, capes, cloaks, anoraks, incl. ski jackets, wind-cheaters, ...	900.8	2.1	0.2
7	620140	Men's or boys' overcoats, car-coats, capes, cloaks, anoraks, incl. ski jackets, wind-cheaters, ...	474.8	0.9	0.2
8	620463	Women's or girls' trousers, bib and brace overalls, breeches and shorts of synthetic fibres ...	370.7	2.7	0.7
9	610462	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton, knitted ...	340.8	25.1	7.4
10	610990	T-shirts, singlets and other vests of textile materials, knitted or crocheted (excl. cotton)	339.4	8.5	2.5

Source: UN Comtrade 2025

The above table shows Poland's top 10 RMG products imported from the World vis-à-vis from India and India's % share in those top 10 products. The top 10 products imported from the World were to the tune of USD 7585.9 mn. in 2024 and import from India of these top 10 products were to the tune of USD 227.2 mn. India has 3.0 % share in Poland's top 10 products import from the World.

The top products imported by Poland from the World includes ***(i)*** *T-shirts, singlets and other vests of cotton,* *knitted or crocheted; **(ii)** Men's or boys' trousers, bib and brace overalls, breeches and shorts, of cotton; **(iii)** Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton.*

♦ Poland's top 10 RMG products import from India:

Top 10 RMG Products Imported by Poland from India (in USD mn)

S. No.	HS Code	Product label	Import from India, 2024	% Share in 2024
		Total RMG	**609.7**	**100.0**
		Sum of Top 10	**372.3**	**61.1**
1	610910	T-shirts, singlets and other vests of cotton, knitted or crocheted	84.2	13.8
2	611020	Jerseys, pullovers, cardigans, waistcoats and similar articles, of cotton, knitted or crocheted ...	63.4	10.4
3	620442	Women's or girls' dresses of cotton (excl. knitted or crocheted and petticoats)	38.0	6.2
4	620630	Women's or girls' blouses, shirts and shirt-blouses of cotton (excl. knitted or crocheted and ...	36.8	6.0
5	611120	Babies' garments and clothing accessories of cotton, knitted or crocheted (excl. hats)	31.8	5.2
6	610462	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton, knitted ...	25.1	4.1
7	610831	Women's or girls' nightdresses and pyjamas of cotton, knitted or crocheted (excl. T-shirts, ...	23.7	3.9
8	620443	Women's or girls' dresses of synthetic fibres (excl. knitted or crocheted and petticoats)	23.3	3.8
9	620640	Women's or girls' blouses, shirts and shirt-blouses of man-made fibres (excl. knitted or crocheted ...	23.2	3.8
10	620444	Women's or girls' dresses of artificial fibres (excl. knitted or crocheted and petticoats)	22.6	3.7

Source: UN Comtrade 2025

The above table shows Poland's top 10 RMG products imported from India. Poland's top 10 products imported from India were to the tune of USD 372.3 mn with 61.1 % share in Poland's total RMG import from India.

*The top products imported by Poland from India includes **(i)** T-shirts, singlets and other vests of cotton, knitted or crocheted; **(ii)** Jerseys, pullovers, cardigans, waistcoats and similar articles, of cotton, knitted or crocheted; **(iii)** Women's or girls' dresses of cotton.*

India expands Quality Control Orders from 14 to 156 in a decade: Union Minister of Commerce and Industry Shri Piyush Goyal

Union Minister of Commerce and Industry, Shri Piyush Goyal said that the number of Quality Control Orders (QCOs) in the country has grown from just 14 covering 106 products in 2014 to 156 QCOs covering 672 products over the last decade. He said this while addressing the 75th anniversary celebration of SGS in India in New Delhi today, adding that the government is working to introduce more horizontal and product-specific standards to ensure that all goods and services made in India meet global benchmarks.

Shri Goyal reaffirmed the Prime Minister's vision of "Zero Defect, Zero Effect" saying that with zero defect, the Prime Minister is reflecting on higher quality standards, high quality products, goods and services from India and with zero effect he is focusing on sustainability.

The Minister outlined three key focus areas for industry and stakeholders in India's quality journey:

"Industry needs to identify areas where testing is required—BIS has ample funds."

"Larger industry body should support small MSMEs—upgrading their quality to global standards."

"Increase stakeholder consultations and participation of industry, including our innovators, academia, startups, so that India can be a pioneer in setting global standards."

Shri Goyal emphasised the government's commitment to strengthening India's quality infrastructure and fostering global trust in Indian products and services.He stated that India is steadily moving towards a unified quality regime for both domestic and international markets. "We gradually get into the mindset of having two quality standards—one a locally accepted standard and another an export quality standard. India today is focused and rapidly moving towards a nation which will have only one standard and that will be a high quality standard. A standard that will work in India and the same standard will be exported to the rest of the world," he said.

Referring to India's long dependence on foreign standards, Shri Goyal noted that over decades India has been dependent on foreign standards for quality but now India's space and progress will be decided by our own Indian standards. He further added that Indian agencies like BIS, FSSAI, and various line ministries are working in coordination to harmonise Indian standards with global ones.

On the testing and certification front, the Minister said, "I would like to invite any and every industry in the country which requires more modern testing facilities, which requires testing facilities comparable to the best in the world, and I would like the industries to demand that India should have those facilities and BIS is willing to fund 100% of the amount required to bring those testing facilities in our country."

He emphasised the importance of building trust through testing, stating, "Every test result should carry with it the weight of trust of 140 crore Indians. They trust a certificate of quality."

The Minister stressed that testing labs across the country must modernise and eliminate manual interventions, enabling automatic and transparent dissemination of results. "We would like all our *laboratories to get accredited not for one or two products or one or two processes but the entire laboratory should get accredited by different arms of Quality Council of India so that any finished result comes with trust," he said.*

He also called for a transition to third-party certification. "Gradually we are more and more promoting third-party certification but we do appeal that the third party should not let down the trust. Every testing agency has to assure highest standards of testing because the nation trusts you," he stated.

To make certification more accessible, he added, "We are trying to bring down all the testing fees charged by everyone—BIS and NTH labs—down to 50 percent of what was prevailing, and I hope the private sector labs will also follow." He noted that economies of scale due to increased testing volumes would help make costs more competitive.

Appreciating SGS's contribution since 1950, the Minister said, "Truly a good work that SGS has done in India since 1950. SGS has been a part of India's journey in the manufacturing sector." He acknowledged SGS's global legacy and said the company would continue to play a key role as India enters Mutual Recognition Agreements (MRAs) with Switzerland and other EFTA countries.

Highlighting the government's partnership with EFTA countries including Switzerland, Liechtenstein, Norway and Iceland, Shri Goyal said the recently finalised Free Trade Agreement will soon come into effect. "We have come together to expand trade, investments, work together for the shared prosperity of the people. These MRAs will stand on the strength of high quality testing, high quality inspection, high quality compliance and I am sure SGS will continue to serve this partnership," he noted.

Union Commerce and Industry Minister Shri Piyush Goyal leads Discussions with Export Promotion Councils & Industry Associations in New Delhi

Union Minister of Commerce and Industry, Shri Piyush Goyal, chaired a meeting with Export Promotion Councils and Industry Associations at Vanijya Bhawan, New Delhi today. The meeting brought together representatives from the Department of Commerce, Department of Revenue, Export Promotion Councils and Industry Associations.

Discussions centred around the various Free Trade Agreements (FTA) concluded in the past, status and challenges in utilisation of such FTAs, opportunities created by the recently concluded FTAs and industry views and expectations for the proposed and ongoing FTA negotiations.

The session also featured presentations from the Department of Commerce on the performance of SEZs and the recent reforms undertaken as well as further reforms proposed. The objective of the proposed reforms was to simplify the procedures, increase economies of scales, utilise the idle capacities at SEZs to realise the objectives of the country for achieving the US $ 5 Trillion economy by 2027.

Breakout sessions were also held with Officials from the Department of Commerce, Department of Revenue and Members of Trade on ICEGATE Implementation at SEZs.

The representatives of Export Promotion Councils & Industry Associations from various sectors like Textile, Apparel, Engineering, Gems & Jewellery, Medical Devices, Services Sector, FIEO, Ayush, Leather, Assocham, etc welcomed the efforts of the Union Minister in creating the best possible Trade Environment and Market Opportunities.

Shri Piyush Goyal reaffirmed the Government's commitment to create a facilitative trade environment through initiatives of ease of doing business, creating more market opportunities to the Indian Exporters. He emphasized that the industry should ramp up their manufacturing capabilities, diversify supply chains, reduce import dependency to realise the goal of becoming Atmanirbhar Bharat.

India Eyes Textile Export Boom with FTAs and Global Partnerships

The Indian textiles sector is set to benefit from upcoming free trade agreements (FTAs) with the United States, United Kingdom, and European Union, according to Minister of State for Textiles Pabitra Margherita. Speaking at the inauguration of the 73rd India International Garment Fair (IIGF) in Yashobhoomi, Margherita highlighted the potential of these agreements to unlock new growth opportunities for Indian exporters.

Shri Margherita noted that India's textile exports have surpassed USD 34 billion, with a target of reaching USD 100 billion by 2030. He emphasised the importance of equipping exporters with the right strategies, standards, and compliance measures to access high-value markets in the US, UK, and EU.

The minister also outlined the sector's significant contribution to the Indian economy, accounting for 2.3% of GDP, 13% of industrial production, and 12% of total exports. In the last financial year, apparel made up 42% of the country's USD 34.4 billion textile exports.

The 73rd IIGF, organised by the Apparel Export Promotion Council (AEPC), features more than 360 exhibitors and buyers from 80 countries. Shri Margherita described the event as Asia's largest garment fair, showcasing fabrics, fashion, creativity, and craftsmanship from across India. This year's buyers represent regions including North America, Latin America, Europe, Asia, Oceania, Africa, and Eurasia.

With over 80% of India's textile sector driven by micro, small, and medium enterprises (MSMEs), the minister stressed the need to enhance productivity, secure raw material supplies, and reduce import dependence to maintain competitiveness.

AEPC Chairman Sudhir Sekhri expressed optimism about the future of Indian garment exports, projecting that they could reach USD 40 billion by 2030. He highlighted the fair as a platform for promoting 'Made in India' brands and underscored the importance of policy support, innovation, and international collaboration.

Shri Sekhri also pointed to a 12.8% cumulative growth in apparel exports during the first two months of 2025-26, despite global challenges such as conflicts in the Middle East and Ukraine, logistical hurdles, tariff uncertainties, and economic slowdowns in several markets.

Development Commissioner (Handlooms) launches 'Handloom Hackathon 2025', Fostering Innovation and Empowering Artisans

Development Commissioner (Handlooms) today officially launched the "Handloom Hackathon 2025," a pioneering national competition set to revolutionize India's handloom sector. Organized in collaboration with the National Design Centre and Foundation for Innovation and Technology Transfer, IIT Delhi, the hackathon will be one of the key highlights of this year's National Handloom Day 2025 celebrations, reaffirming the government's commitment to preserving and modernizing the sector.

The Handloom Hackathon 2025 is scheduled to take place on August 2–3, 2025, at the Research and Innovation Park of IIT Delhi, where students, technologists, weavers, and professionals will come together to develop ideas addressing real-world challenges in the handloom industry.

Speaking on this, Dr. M Beena, Development Commissioner (Handlooms), shared, "National Handloom Day is not just about honouring our weavers, it's about shaping the future of the sector. With Handloom Hackathon 2025, we are building a bridge between heritage and innovation by inviting young minds to co-create impactful solutions alongside traditional artisans and industry experts."

Focusing on five core areas; design innovation, sustainability, market access, skill development, and community building, the hackathon will provide a platform for cross-disciplinary collaboration and practical problem-solving.

Under the theme "DREAM IT; DO IT", the hackathon encourages participation from college students, handloom and textile innovators, fashion designers, engineers, researchers, and weavers. The best ideas will not only receive awards but also long-term support from DC Handlooms to transform those ideas into real-world solutions.

The Handloom Hackathon 2025 aims to foster innovation, promote sustainability, enhance market access, drive skill development, and build a stronger community, ultimately leading to the economic empowerment of handloom artisans.

Online registration for the Handloom Hackathon 2025 is now open until July 31st, 2025. Interested participants are encouraged to register and find detailed information on themes, eligibility, and the full schedule at www.youthideathon.in/handloom.

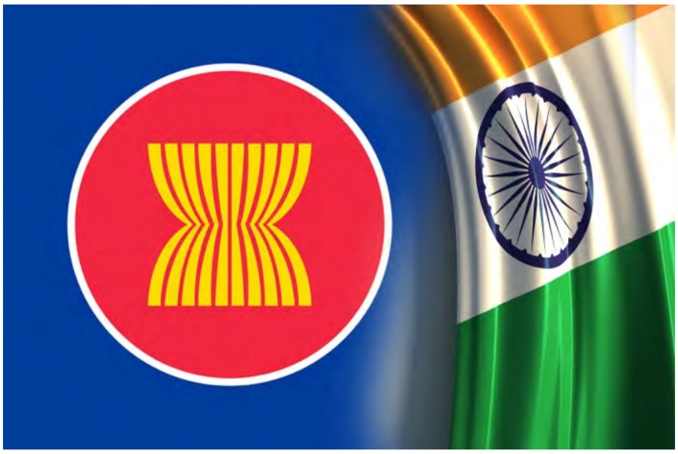
Indian Textile Exporters Urge Fairer ASEAN Trade Terms Amid Persistent Barriers

India's textile industry continues to face significant trade challenges in Southeast Asia, despite a marked increase in commerce with leading ASEAN partners such as Indonesia, Thailand, and Malaysia since the implementation of the ASEAN-India Free Trade Agreement (AITIGA). According to a recent India-Exim Bank report, many Indian textile products are included on "sensitive" or "exclusion" lists by ASEAN countries, denying them duty-free access and limiting their competitiveness in these markets.

While countries like the Philippines and Vietnam offer zero-duty access under AITIGA, Indian exporters have not fully capitalised on these opportunities. The report recommends renegotiating the trade agreement to secure better access for Indian products that are currently restricted and to maintain higher tariffs on certain goods to protect domestic industries.

The textile and apparel sector is a cornerstone of India's economy, contributing 1.4% to GDP, over 10% to manufacturing output, and nearly 8% to total merchandise exports in 2023–24, with export values reaching USD 34.4 billion. To enhance global competitiveness, the Indian government has launched the Production Linked Incentive (PLI) scheme, focusing on man-made fibres and technical textiles. So far, 73 companies have been selected to benefit from this initiative, which aims to boost local production and attract investment.

Despite these efforts, the India-ASEAN trade deficit has widened, and Indian exporters are urging a review of AITIGA to address operational and market access barriers. The government is currently gathering industry feedback to identify and resolve issues that hinder optimal utilisation of the free trade framework.



India says trade pact with US should give preference to labour-intensive items like textiles and leather

The proposed India-US bilateral trade agreement (BTA) has to necessarily give preference to India in the areas of its interests — in labour-intensive items such as textiles and leather — to help it beat competition in the American market, a top source has said.

"It is not possible to clap with a single hand. It takes two. India wants a trade deal where it would get market access in its areas of interest, including labour-intensive goods, and it should have sustained preference over other countries in these areas."

India's team of negotiators recently returned from Washington DC after parleying hard with counterparts in the US for about a week but not managing to seal a deal by the end of it.

There were hopes that an interim trade deal would be agreed to by the two countries before July 9, when the 90-day pause period on US reciprocal tariffs end.

"The ball is now in the US' court as India has already offered to bring down tariffs in a number of sectors for American goods while insisting that its red lines in sensitive areas, including agriculture and dairy, be respected," a second source said.

US President Donald Trump said he will now be sending out letters to trade partners with which trade deals could not be struck specifying the tariffs that would now be imposed on their products.

"We have absolutely no idea what the letters would be about and how the tariffs would be calculated. Also, there is no clarity on how these new tariffs would be related to the reciprocal tariffs," the source said.

On August 2, US President Donald Trump had announced reciprocal tariffs for most trade partners with which the US had a trade deficit. The tariff rate, which varied for different countries depending on the level of deficit, was fixed at 26 per cent for India. This tariff was then suspended for a 90-day period, till July 9, expect a base tariff of 10 per cent, to give time to countries to work out trade deals with the US.

Ascott India teams up with Second Spin to recycle textile waste

The Indian hospitality industry is looking forward to putting in greater sustainability efforts through a partnership between Ascott India and Second Spin.

With this collaboration, Ascott India, which is known for its premium hotels and serviced apartments, aims at not only cutting down on textile waste but also transforming discarded hotel linens into recycled materials. These linens will be repurposed by Second Spin, which was formerly known as Retex. As such, Second Spin with its cutting-edge supply chain, works by collecting and upcycling linens into products such as yarns, fibres and paper.

This collaborative initiative started with the participation of seven of the Ascott's properties in India with the most significant being Citadines OMR Chennai, which has already prevented 2 tonnes of textiles from landing up in the landfills. Speaking in this regard, Prashanth Rajkumar, Citadines OMR's General Manager, expressed that this initiative has helped in creating a work culture that promotes sustainability and it is something that their guests value too.

Head of Finance and Sustainability, Ascott India, Prasanna Raghavan also added that this initiative is in tune with Ascott's goal of addressing waste and keeping up with ESG goals.

With 45,000 kg of linens repurposed by Second Spin, this initiative highlights the hospitality industry's step towards building a circular economy aimed at reducing textile waste.

PM MITRA textile park in Virudhunagar to boost TN's textile capability

The Virudhunagar PM MITRA Park, encompassing 1,052 acres, which got Central government's approval of ₹1,900 crore, is set to become a world-class hub for technical textiles and an integrated manufacturing hub, said Shri A. Sakthivel, Vice-Chairman of the Apparel Export Promotion Council (AEPC).

The park will include a 15 million litres a day (MLD) Zero Liquid Discharge (ZLD) Common Effluent Treatment Plant, a 10,000-bed workers' dormitory, and over 1.3 million sq. ft. of ready-to-use infrastructure. The park is projected to attract investments worth ₹10,000 crore and generate employment for over one lakh people by 2026.

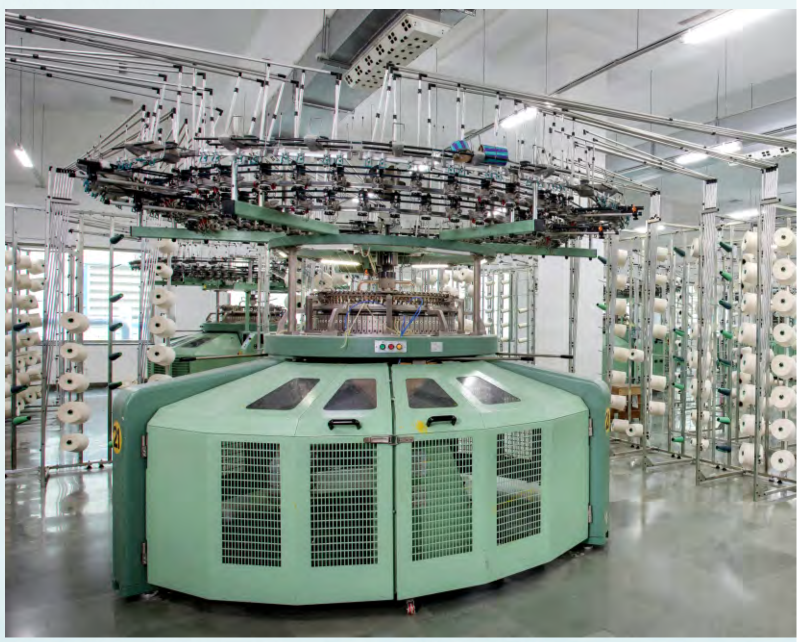
This facility will significantly boost Tamil Nadu's competitiveness, particularly in the areas of value-added, sustainable, and export-oriented apparel manufacturing. The AEPC will support the successful implementation of the PM MITRA initiative, with plug and play manufacturing facilities, in close collaboration with both, the Central and State governments, Mr. Sakthivel said.

The Virudhunagar PM MITRA Park, encompassing 1,052 acres, which got Central government's approval of ₹1,900 crore, is set to become a world-class hub for technical textiles and an integrated manufacturing hub, said A. Sakthivel, Vice-Chairman of the Apparel Export Promotion Council (AEPC), in a press release .

The park will include a 15 million litres a day (MLD) Zero Liquid Discharge (ZLD) Common Effluent Treatment Plant, a 10,000-bed workers' dormitory, and over 1.3 million sq. ft. of ready-to-use infrastructure. The park is projected to attract investments worth ₹10,000 crore and generate employment for over one lakh people by 2026.

This facility will significantly boost Tamil Nadu's competitiveness, particularly in the areas of value-added, sustainable, and export-oriented apparel manufacturing. The AEPC will support the successful implementation of the PM MITRA initiative, with plug and play manufacturing facilities, in close collaboration with both, the Central and State governments, Shri A. Sakthivel said.

The Central government's announcement is a transformative step towards reinforcing the country's leadership in the global textile sector. The State government's continuous engagement and sustained efforts have culminated in this achievement for the State's textile sector, he added.



Textiles Ministry clears Rs. 1,894 crore PM Mitra Park Project in Tamil Nadu

In what can be called as a significant step towards making Tamil Nadu a national textile powerhouse, Union Textiles Minister Giriraj Singh announced the Centre's approval for a Rs. 1,894-crore (US $ 220 million) development scheme for the Pradhan Mantri Mega Integrated Textile Region and Apparel (PM MITRA) Park in Virudhunagar district.

Spread over 1,052 acres, the new park will be a next-gen textile cluster with emphasis on technical textiles and integrated manufacturing. It is one of the Centre's premium PM MITRA schemes designed to transform India's textile industry through establishment of world-class infrastructure, efficient regulatory mechanism and sector-specific investment incentives.

The go-ahead for the Tamil Nadu project comes after the state government, headed by Chief Minister M.K. Stalin and the Union Ministry of Textiles went into protracted discussions. State Industries Minister T.R.B. Rajaa welcomed the approval as a milestone for Tamil Nadu's textile future and described it as "the result of relentless follow-up and collaborative engagement."

Targeted to be finished by September 2026, the project will help attract Rs. 10,000 crore (US $ 1.16 billion) private investment and generate about 100,000 new jobs. Rajaa also said that Tamil Nadu is already India's leading textile exporter—this project takes them to newer heights.

Major infrastructure to be developed at the site consist of a 15-million-litre-per-day (MLD) zero liquid discharge common effluent treatment plant, a 5-MLD sewage treatment plant, accommodation for 10,000 workers and 1.3 million square feet plug-and-play and built-to-suit industrial warehousing.

Tamil Nadu is joined by six other states—Telangana, Karnataka, Maharashtra, Gujarat, Madhya Pradesh and Uttar Pradesh—to host the PM MITRA parks as part of the central government's countrywide programme to revolutionise India's textile production ecosystem.

All textile-RMG items under strict border control: Indonesian minister

Indonesia is going ahead with import relaxation policies while maintaining strict oversight, particularly in the textile and apparel sectors, with the aim to balance open trade with protecting domestic industries.

Under the country's Trade Ministry's latest regulation, imports of readymade garments and related accessories now require import approvals, technical considerations from relevant ministries and surveyor reports as part of enhanced border supervision, Trade Minister Mr. Budi Santoso recently said. "All textile, textile products and readymade garments remain under strict border control," Budi said at a press conference in Jakarta.

Despite safeguard measures on garment imports expiring, the government is processing an extension. Safeguards do continue for other textile products, including yarn, curtains, fabrics and carpets. "This is part of our selective approach to relaxation, while protecting domestic industries from the influx of cheap imports, especially from countries with production overcapacity," Budi was quoted as saying by domestic media outlets.

The government has streamlined the licensing process. Franchise licenses now will be automatically issued if local governments fail to process them within five working days, allowing entrepreneurs to proceed using their registration receipt as a valid business permit. "This will cut waiting times, which have been a frequent complaint from small and medium enterprises," Budi said.

The ministry has revoked four outdated regulations deemed redundant under higher-level laws. Budi said the ministry will also revoke the regulation concerning the procedure for issuing franchise registration certificates by regional governments.

US garment spending dips, imports rise amid tariff uncertainty

US consumer spending on garments fell by 0.7 per cent month-over-month in April 2025, despite a 4.6 per cent year-over-year increase. The (CPI) Consumer Price Index for garments also dipped by 0.1 per cent month-over-month and 0.5 per cent year-over-year, according to Cotton Incorporated.

Meanwhile, imports of cotton-dominant apparel rose 13.4 per cent from a year earlier, maintaining average import costs near $3.70 per square meter equivalent since late 2023.This import activity occurred amid ongoing trade uncertainty. In April, the US began implementing broader tariff increases, prompting mixed responses from retailers—some pulled orders forward to avoid higher duties, while others delayed shipments in hope of a rollback.

The situation was further complicated in late May by two court rulings that questioned the President's authority under the International Emergency Economic Powers Act (IEEPA) to impose sweeping tariff changes. These decisions, now under appeal, may escalate to the Supreme Court, with existing tariff rates currently remaining in place, Cotton Incorporated said in its Executive Cotton Update - US Macroeconomic Indicators & the Cotton Supply Chain - June 2025.

Bangladesh aims to strengthen strategic and economic ties with South Korea

Bangladesh is actively seeking to deepen its strategic and economic relations with South Korea, emphasizing the importance of sustained diplomatic engagement and expanded cooperation.

Special Assistant to the Chief Adviser Anisuzzaman Chowdhury addressed the event, underscoring the need for ongoing diplomatic efforts to foster stronger bilateral ties. Bangladesh's Ambassador to South Korea, Park Young-sik, served as the keynote speaker. He provided a comprehensive overview of the evolving partnership, noting significant growth in trade, investment, development assistance, and shared global values.

Ambassador Park highlighted that the Korea-Bangladesh relationship is built on mutual trust, robust economic collaboration, and a shared vision for global peace and prosperity. He pointed out that Korean investments in Bangladesh's manufacturing and infrastructure sectors are increasing, and trade volumes between the two nations have expanded substantially over recent years.

Chairing the session, BIISS Chairman Ambassador AFM Gousal Azam Sarker was joined by Major General Md Iftekhar Anis, the institute's director general, who delivered welcoming remarks. Research Director Mahfuz Kabir elaborated on the various dimensions of Bangladesh-South Korea relations, identifying key sectors such as technology transfer, human resource development, renewable energy, and regional connectivity as promising avenues for future cooperation.

The seminar saw participation from senior officials across ministries, government agencies, think tanks, academia, the private sector, armed forces, media, and university students. An open forum allowed attendees to share insights and policy recommendations aimed at elevating the bilateral relationship.

The event concluded with a shared commitment by both nations to enhance cooperation across trade, diplomacy, and socio-economic development, paving the way for a closer and more strategic partnership in the years ahead.

US industry leaders urge Trump to roll back tariffs on footwear and apparel

In a collective call to the White House, major US fashion and footwear trade associations have spoken out against the viability of reshoring manufacturing, with steep cost, labour, and supply chain hindrances being cited. In accepting President Donald Trump's recent assertion that US tariff policy is not intended to revive domestic apparel and footwear production, the industry associations contended that additional increases in tariffs would only accelerate challenges for businesses and consumers alike.

In a joint letter to the president, the American Apparel & Footwear Association (AAFA) and four other leading trade organizations asserted that tariffs are not an effective instrument in remaking the domestic *manufacturing sector. The letter stated that tariff policy cannot remove structural barriers, and it's putting a financial burden on the small number of US-based producers who remain in their industry. The signatories emphasized that the clothing and footwear industries are already subjected to some of the highest tariff rates in the US economy — a long-standing burden that they claim disproportionately harms lower-income Americans. The letter warned that adding new duties on top of historically high rates would further strain families worst positioned to absorb higher costs.*

The group also defined the technical and economic intricacies involved with reviving mass domestic production. They said that making shoes and clothes is labour- and capital-intensive. Shoemaking, in fact, involves a highly skilled labour force and sophisticated techniques mastered over many years. They added that few locations around the world can accommodate the scale and cost profile desired by US consumers, and building new domestic facilities takes decades of strategic investment.

The five groups called on the administration to adopt a balanced policy strategy — one that reduces tariffs, encourages high-value jobs, and brings economic relief to American families. The letter concluded by saying that they urge a pragmatic way forward that serves both industry resilience and consumer affordability. In addition to the AAFA, the letter was signed by the Council of Fashion Designers of America, the Footwear Distributors and Retailers of America, the Sports & Fitness Industry Association, and the US Fashion Industry Association.

Bangladesh-China trade summit highlights strategic investment opportunities in textiles

The 'China-Bangladesh Conference on Investment & Trade' concluded yesterday with a renewed focus on strengthening economic ties, particularly within the rapidly expanding textile and apparel sector. Jointly organized by the governments of Bangladesh and China, the event underscored Bangladesh's strategic geographic location and skilled workforce as key attractions for Chinese investors. This year also marks the 50th anniversary of the enduring friendship between the two nations.

A central highlight of the summit was the technical session on 'Textile and Apparel,' held at the Multipurpose Room in Biniyog Bhaban, Aargau. Experts discussed topics such as innovation, sustainability, and global market trends, reaffirming Bangladesh's position as an ideal investment destination. Speakers praised the country's liberal investment policies and robust growth across various sectors. Notably, China emerged as one of the top sources of Foreign Direct Investment (FDI) in Bangladesh in 2024.

A notable announcement was made by a leading Chinese textile firm, revealing plans to invest US $ 100 million in Bangladesh's spinning industry. This move signals growing confidence among Chinese businesses in Bangladesh's market potential and aligns with the nation's goals to collaborate with China, a global manufacturing giant.

Discussions also highlighted the complementary strengths of both countries. While China excels in high-end textile manufacturing, Bangladesh leads the world in textile and apparel exports. The recent upgrades in Bangladesh's textile infrastructure and its position as the 5th largest yarn importer globally were emphasized as significant opportunities for collaboration. The summit also acknowledged the impact of US trade restrictions on global supply chains, stressing the importance of balanced trade relationships.

According to the Bangladesh Investment Development

Authority (BIDA), Chinese investors have shown strong interest in key sectors such as textiles, renewable energy, electronics, and agribusiness. The conference was held in Dhaka and jointly organized by BIDA and the Bangladesh Economic Zones Authority (BEZA). Chinese Commerce Minister Wang Wentao, who is currently visiting Bangladesh, reiterated China's commitment to supporting Bangladesh's export capacity and promoting integrated development of trade and investment. He emphasized the importance of maintaining multilateral trading systems and injecting stability into the global economy.

Minister Wang also highlighted the ongoing development of the China-Bangladesh comprehensive strategic partnership, pledging continued cooperation in trade, e-commerce, production, supply chains, and investment. Reflecting on the 50 years since diplomatic relations were established, he praised the mutual support, equality, and cooperation that have characterized the relationship between the two nations. The summit underscores a shared vision to deepen economic cooperation and unlock new opportunities, particularly in the textile and apparel sectors, which are poised to be game changers for Bangladesh's economic growth.

President Sisi briefed on development of textile industry

In a meeting with a number of Ministers, President Abdel Fattah El Sisi was updated on the latest developments in the implementation of the national project for the development of the textile industry, as part of the state's plan to restore this sector's pivotal role.

The meeting also reviewed the progress in enhancing the assets of public sector companies in the textile field, with the aim of developing and localizing the textile and garment industry, said Spokesman for the Presidency, Ambassador Mohamed El-Shennawy in a statement The meeting was attended by Prime Minister Dr. Mostafa Madbouly, Deputy Prime Minister for Industrial Development, Minister of Industry and Transport Lieutenant General Kamel El-Wazir, Minister of Planning, Economic Development and International Cooperation Dr. Rania Al-Mashat, Minister of Finance Mr. Ahmed Kouchouk, Minister of Public Business Sector Eng. Mohamed Shimi and Minister of Investment and Foreign Trade Eng. Hassan El-Khatib.

Additionally, the meeting addressed to the development of raw materials for long- and short-staple cotton and polyester, the workforce status in the restructured textile companies, and updates on negotiations to attract foreign investors to operate in Egypt in this sector. The President was briefed on the progress made in implementing the strategy adopted by the Ministry of Public Business Sector for the period 2024–2027. This included the contributions and commitments of public sector companies to supporting the state budget and current strategic projects for asset development. In this context, the ministry is executing 157 projects across its various areas of responsibility. Additionally, annual revenues have increased by 303% since the fiscal year 2014/2015.

The meeting addressed the latest developments in the implementation of the national project for the development of the textile industry, as part of the state's plan to restore this sector's pivotal role. It also reviewed the progress in enhancing the assets of public sector companies in the textile field, with the aim of developing and localizing the textile and garment industry. The meeting also covered the ministry's efforts in the mining sector, including updates on various projects undertaken by the Metallurgical Industries Holding Company and related investment opportunities. The meeting reviewed the ministry's initiatives regarding El Nasr Automotive Company and projects related to the production of public transport and passenger vehicles. It also addressed developments in the Chemical Industries Holding Company and its ongoing projects, as well as the Holding Company for Pharmaceuticals and Medical Supplies, all within the framework of the state's strategy to support and localize the pharmaceutical, chemical, and medical industries. Additionally, the meeting touched on the ministry's efforts in executing projects in the tourism sector.

The spokesman added that investment opportunities in public sector companies were reviewed, along with the efforts and measures taken to implement a comprehensive and systematic reform of these companies to improve their performance and enhance sustainability and to link them to Egypt's Vision 2030, the government's action program, and the State Ownership Policy Document, with the aim of maximizing returns on state investments in affiliate companies and boosting their contribution to the GNP. The meeting also included a presentation on the workforce restructuring plan for companies affiliated with the Ministry of Public Business Sector.

The President gave directives to continue efforts to improve and develop the performance, management practices, and operations of public business sector companies. The President also emphasized the need to maximize asset returns, especially by enhancing partnerships with the private sector and keeping pace with technological advancements, while adhering to international standards for quality, sustainability, continuous development, occupational safety, and environmental protection. This is in addition to enhancing the role and improving the skills of the human factor. The President also gave directives to set specific targets based on a clear vision for each of the sector's companies.

Vietnam-EAEU trade doubles to hit $5.6 bn in 2024 after 2015 FTA

Ten years into the free trade agreement (FTA) between Vietnam and the Eurasian Economic Union (EAEU), the former's trade turnovers with Armenia, Kazakhstan, Russia and Belarus have surged 61-fold, 4.2-fold, 1.3-fold and by 34 per cent respectively, according to data from the Eurasian Economic Commission.

Vietnam-EAEU trade doubled to reach $5.6 billion in 2024, Ta Hoang Linh, director of the department of foreign market development in the Ministry of Industry and Trade, said at a press conference in Hanoi recently to mark the 10th anniversary of the FTA.The pact was officially signed in Kazakhstan on May 29, 2025, during the second meeting of the Eurasian Intergovernmental Council.

It was the first trade agreement the EAEU signed with a non-member country. Ambassadors from all five EAEU nations expressed their desire to further strengthen cooperation relations with Vietnam, a Vietnamese news agency reported.

Egypt's RMG exports rise 22% YoY in Jan-Apr 2025, 25% YoY in April: AECE

Egypt's readymade garment (RMG) exports increased by 22 per cent year on year (YoY) during the first four months this year, reaching $1.028 billion, according to the Apparel Export Council of Egypt (AECE).

Such exports rose by 25 per cent YoY to $223 million in April by 23 per cent YoY to $254 million in March. The United States remained Egypt's top RMG export destination, with exports to there totaling $384 million in the four-month period—a 11-per cent increase YoY. Europe followed, with exports to there jumping by 39 per cent YoY to $259 million.

The country's RMG exports to Arab countries grew modestly by 6 per cent YoY, reaching $190 million during the period, while exports to African nations (excluding Arab states) recorded the highest Yoyos rise of 101 per cent. Exports to other global markets surged by 50 per cent YoY, totaling $190 million between January and April this year, a domestic media outlet reported.

AECE Chairperson Mr. Fadel Marzouk attributed the sector's robust performance to improved global demand, a broader export base and the council's focused efforts to open new markets and diversify demand sources.

The council aims at raising RMG exports by 30-35 per cent annually, and double such exports by 2031 to $12 billion.

Bangladesh allocates $56 mn for Jute & Textile Ministry in FY26 budget

An allocation of TK 4.8 billion (~$56 million) has been made for the Ministry of Jute and Textile for fiscal 2025-26 (FY26), Bangladesh finance adviser Salehuddin Ahmed announced while unveiling the national budget for the next fiscal. He said TK 2.32 billion is designated for operational expenses, while TK 2.48 billion is for development expenditure. The revised budget for FY25 had allocated TK 4.98 billion for the ministry.

Meanwhile, the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) has applauded the government's decision to keep the source tax on exports and corporate tax for industries unchanged in the proposed budget for next fiscal.

This announcement is particularly significant for the readymade garment (RMG) sector, which faces immense pressure from domestic and global challenges, including recent US retaliatory tariffs, India's cancelled transshipments, high bank interest rates, rising wages, and frequent increases in gas and electricity prices, the BGMEA said in a press release.

The budget plans to reduce the overall cost of electricity generation by 10 per cent to gradually decrease subsidies in the power sector, the BGMEA said. A decision has also been made not to raise electricity prices shortly to control inflation, which the BGMEA termed highly beneficial.

Chinese Enterprises Association in Bangladesh, CCCT ink assistance MoU

The Chinese Enterprises Association in Bangladesh (CEAB) and the China Chamber of Commerce for Import and Export of Textiles (CCCT) recently signed a memorandum of understanding (MoU) in Dhaka aimed at enhancing bilateral cooperation in the textile and apparel sector.

The aim is to create a long-term framework for cooperation that will drive the development of the textile and apparel industries in both the countries. The agreement focuses on joint exhibitions, trade promotion and advancing sustainable innovation in textile manufacturing, a CEAB statement said.

The signing ceremony coincided with the official visit of a high-level delegation from China to Bangladesh at the invitation of the Bangladesh Investment Development Authority (BIDA), domestic media outlets in Bangladesh reported. CEAB's textile and garment branch president Ge Zhenyu and CCCT vice chairman Zhang Xi'an signed the MoU.

US textile and apparel imports surge on the eve of Trump tariffs

Over the first three months of 2025, the United States imported $26.9 billion worth of goods, including $20 billion worth of clothing (+10.9%) and $6.9 billion worth of textiles and materials (+4.9%). However, the countries most targeted by Donald Trump at the beginning of the year did not benefit from this last-minute acceleration, with principals likely anticipating the trade war promised by the Republican president.

China is one of the countries not to benefit from this early-year acceleration. As the leading supplier of textiles and clothing to the United States, China's sales rose by just 3.6% over the period. At a time when other key Asian suppliers have seen significant increases. These include Vietnam (+14%), India (+20%), Bangladesh (+25%), Indonesia (+20%), Cambodia (+15.8%), and Pakistan (+10.5%).

The European Union, the USA's sixth-largest supplier, remained stable in terms of textile-clothing exports to the USA, with 1.3 billion euros worth of goods shipped over the quarter. Italy, which alone ranks tenth among suppliers, even saw a contraction of 2.7%, ahead of Portugal (+0.9%) ranked 23rd and France (-1.9%) ranked 29th.

Mexico, the United States' 8th-largest supplier of textiles and apparel, posted a positive variation of just 1% over the quarter. The Trump administration's repeated attacks on Latin America as a whole also partly explain the falls experienced by Honduras (-10%), Nicaragua (-5.6%), Guatemala (-1%), and El Salvador (-11%). Only Peru seems to be doing well, with orders up 25%.

If we look solely at the ranking of clothing suppliers, the figures show that China, the leading supplier in 2024, falls behind Vietnam in the first quarter of 2025, with a gap of almost $300 million. Mexico also posted 2.6% growth in this specific market.

In terms of fabric imports, the EU leads the way with $278 million worth of materials, at a stable level. However, the Old Continent was followed by China, which grew by 2%, to within three million dollars. Their first challenger, India, came in at just 174 million, but posted growth of 12.5%.As noted by FashionNetwork.com, US textile-clothing imports stabilized in 2024 at $107 billion. This followed a 22% drop in 2023, when orders were massively reduced at the end of the health crisis.

Garment trade unions in Sri Lanka accuse British brand Next of union-busting

Sri Lankan textile trade unions have accused Next of union-busting by closing its only unionised factory in the South Asian country. This comes after a US $ 1.46 billion profit prediction for the British company. In violation of Sri Lankan labour legislation, next abruptly closed its only directly owned factory with a recognized trade union at Next Manufacturing Ltd (NML) Katunayake on 19th May without providing sufficient notice or consultation. Almost 1,400 workers were then notified of their termination via a What Sapp message. A joint statement from the Clean Clothes Campaign, War on Want, Labour Behind the Label, and the Free Trade Zones and General Service Employees Union (FTZ & GSEU) condemned the plant closure proposal.

According to the statement, the workers' union, FTZ & GSEU, has achieved improved and safer working conditions, including higher wages and a notable decrease in sexual harassment. The only unionised Next factory in the nation is the one that has been selected for closure, said the statement. There are still two un-unionised factories operating. It stated that the ramifications are obvious: this is union-busting disguised as a commercial tactic.

According to the statement, unions have been notified of instances in which employees were coerced into signing resignation letters after being misled into believing that doing so would guarantee their pay package.

OECD cuts global growth outlook amid trade & policy strains

Global economic prospects are weakening as substantial barriers to trade, tighter financial conditions, declining confidence, and growing policy uncertainty are set to weigh heavily on growth, according to the OECD's (Organization for Economic Co-operation and Development) latest Economic Outlook. The organization forecasts global GDP growth to slow from 3.3 per cent in 2024 to 2.9 per cent in both 2025 and 2026. This deceleration will be most pronounced in the United States, Canada, Mexico, and China, while other economies will see smaller downward adjustments.

"The global economy has shifted from a period of resilient growth and declining inflation to a more uncertain path. Our latest economic outlook shows that today's policy uncertainty is weakening trade and investment, diminishing consumer and business confidence and curbing growth prospects," OECD Secretary-General Mr. Mathias Cormann, said in a release. In the United States, growth is projected to fall sharply from 2.8 per cent in 2024 to 1.6 per cent in 2025 and 1.5 per cent in 2026. China's economy is expected to lose momentum, with growth slowing from 5.0 per cent in 2024 to 4.7 per cent in 2025 and 4.3 per cent in 2026. The euro area is forecast to experience a modest recovery, with GDP growth rising from 0.8 per cent in 2024 to 1.0 per cent in 2025 and 1.2 per cent in 2026.

Inflationary pressures have re-emerged in some countries, especially those introducing higher trade tariffs. These elevated trade costs are likely to feed inflation further, although the impact may be softened by declining commodity prices. Overall, annual headline inflation in G20 economies is expected to ease from 6.2 per cent in 2024 to 3.6 per cent in 2025 and 3.2 per cent in

2026.The Outlook outlines several downside risks. Chief among them is the danger of worsening trade fragmentation, which could trigger new rounds of tariff hikes and retaliatory actions, intensifying the slowdown and disrupting global supply chains. Inflation could also prove more persistent than expected, especially in economies grappling with tight labour markets and rising costs, potentially leading to stricter monetary policies and further pressure on growth.

Rising debt service costs pose an additional challenge, straining public finances across the globe. Tighter financial conditions particularly threaten low-income countries, while equity markets remain volatile despite recent recoveries. However, the OECD notes some upside scenarios. Removing new trade barriers could improve growth and reduce inflationary pressures. A peaceful resolution to Russia's war in Ukraine and the conflicts in the Middle East would also bolster investment confidence. The report advises central banks to remain cautious. Given the uncertainty and potential for tariff-driven inflation, they should only proceed with policy rate reductions where inflation is easing, and demand remains subdued. To preserve fiscal resilience, governments must focus on long-term debt sustainability. This includes curbing and reallocating expenditures, enhancing revenue generation, and adhering to credible medium-term fiscal strategies.

The OECD concludes that subdued growth prospects, geopolitical instability, and trade tensions underscore the urgency of structural reforms. To sustain living standards and global competitiveness, policymakers must prioritise efforts to boost investment, productivity, and innovation. "Governments need to engage with each other to address any issues in the global trading system positively and constructively through dialogue – keeping markets open and preserving the economic benefits of rules-based global trade for competition, innovation, productivity, efficiency and ultimately growth," Cormann added.

"Investment has been in decline since the global financial crisis and that has been holding back growth. Greater investment in the digital and knowledge-based economy is a positive development, but public investment remains stagnant, and housing investment is failing to keep up with demand. A bold policy reform agenda to boost investment can build a stronger global economy for the 21st century," OECD Chief Economist Mr. Álvaro Santos Pereira suggested.

Adjusted new orders in German manufacturing up 0.6% MoM in April 2025

Price-, seasonal- and calendar-adjusted real new orders in the German manufacturing sector were up by 0.6 per cent month on month (MoM) in April, 2025, according to provisional figures of the Federal Statistical Office (Destatis).When large-scale orders are excluded, new orders were 0.3 per cent higher MoM in April,2025.

The less volatile three-month on three-month comparison showed that new orders in the February-April 2025 period were 0.5 per cent higher than in the previous three months; when large-scale orders are excluded, new orders were up 1.3 per cent. After revision of the provisional data, new orders in March this year increased by 3.4 per cent MoM; the provisional figure was plus 3.6 per cent.New orders for capital goods were up by 4.1 per cent MoM in April. By contrast, new orders for both intermediate goods and consumer goods dropped by 3.4 per cent and 5.9 per cent MoM respectively.

Orders from abroad fell by 0.3 per cent MoM in the month, with new orders from the euro area increasing by 0.5 per cent MoM, whereas new orders from outside the euro area declined by 0.9 per cent MoM. Domestic orders rose by 2.2 per cent MoM, a Destatis release said. Provisional figures show real turnover in manufacturing (seasonally- and calendar-adjusted) was down by 1.5 per cent MoM in April. The calendar-adjusted turnover was 1 per cent lower year on year in the month. After revision of the provisional data, real manufacturing turnover increased by 2.3 per cent MoM in March 2025; the provisional figure was plus 2.2 per cent.

US Textile and Apparel Imports spike before Trump tariffs hit

Against increasing doubt regarding impending trade action, the United States substantially increased textile and clothing imports during the first quarter of 2025—posting a 9.4 per cent year-to-date gain through January to March. The pre-emptive build-up came ahead of official notice from Donald Trump on 2nd April to raise new customs duties, as purchasers hurried to front-load orders before scheduled tariff increases.

The surge in import activity disproportionately favoured a number of Asian countries, whose overall exports to the US increased by 15.4 per cent over the period. Exceptionally quiet during the boom was China, the leading US supplier of textiles and apparel, which recorded a relatively modest 3.6 per cent increase. Industry experts propose that widespread expectation of a renewed trade war under the previous president caused importers to diversify sourcing away from areas most likely to be subject to targeting.

In the first quarter, the US imported products valued at US $ 26.9 billion in the textiles-apparel category, including US $ 20 billion in apparel (up 10.9 per cent) and US $ 6.9 billion in raw materials and textiles (up 4.9 per cent).

Although Vietnam, India, Bangladesh, Indonesia, Cambodia, and Pakistan all experienced double-digit increases, China's relatively lukewarm showing indicated a guarded re-alignment of supplier strategy.

Vietnam specifically surpassed China as the largest apparel exporter to the US, leading by almost US $ 300 million. Exports from India jumped by 20 per cent, Bangladesh and Indonesia by 25 per cent and 20 per cent respectively, whereas Cambodia and Pakistan increased by 15.8 per cent and 10.5 per cent.

At the same time, Latin American countries—many of which experienced harsh rhetoric and policy threats from Trump—experienced subdued or adverse outcomes. Mexico, America's eighth-largest source country, posted a modest 1 per cent increase. Others such as Honduras (-10 per cent), El Salvador (-11 per cent), Nicaragua (-5.6 per cent), and Guatemala (-1 per cent) experienced steep declines. Peru alone defied the pattern, posting a 25 per cent increase in orders.

Europe, the sixth-largest supplier of US textile and apparel imports, remained unchanged in aggregate, with US $ 1.49 billion worth of products shipped in the quarter. At the country level, Italy fell 2.7 per cent, France 1.9 per cent, and Portugal recorded a slim 0.9 per cent increase.

On the textiles side, the European Union retained the lead with US $ 278 million in fabric exports, while China, at second place, registered a marginal 2 per cent rise. India, though at third position, recorded the highest velocity with a 12.5 per cent increase to US $ 174 million.

The first-quarter rally follows a year of comparative stability in 2024, as US apparel and textile imports remained at US $ 107 billion. That was after an extraordinary 22 per cent dip in 2023, due to post-pandemic stock correction and soft consumer demand. With new tariffs on the horizon, recent import figures indicate the industry may be preparing itself for another tumultuous period in US trade policy.

German Exports fall 1.7%, Imports up by 3.9% MoM in April, 2025

Calendar- and seasonally-adjusted German exports were down by 1.7 per cent month on month (MoM) and 2.1 per cent year on year (YoY) in April, 2025. Which such imports were up by 3.9 per cent MoM and 3.8 per cent YoY in the month, according to provisional data from the Federal Statistical Office (Destatis).

After calendar and seasonal adjustment, Germany exported goods to the value of €131.1 billion and imported goods worth €116.5 billion in April, 2025.The foreign trade balance showed a surplus of €14.6 billion in April, 2025. The calendar- and seasonally-adjusted surplus stood at €21.3 billion in March.2025. In April 2024, the surplus was €21.6 billion. On a calendar- and seasonally-adjusted basis, Germany exported goods worth €72.9 billion to the member states of the European Union (EU) in April, while it imported goods worth €59.8 billion from these countries in the same period.

Compared with March 2025, calendar- and seasonally-adjusted exports to EU countries rose by 0.9 per cent and imports from these countries increased by 4.5 per cent in April.2025.The value of the goods exported to euro area countries totalled €50.6 billion and the value of the goods imported from these countries was €39.4 billion. Goods worth €22.4 billion were exported to EU countries not belonging to the euro area, while the value of the goods imported from those countries was €20.3 billion euros. Exports of goods to countries outside the EU (third countries) amounted to €58.1 billion in April, 2025 and imports from these countries totalled €56.7 billion on a calendar- and seasonally-adjusted basis. Compared with March 2025, exports to third countries declined by 4.8 per cent, while imports from third countries rose by 3.4 per cent.

Most German exports in April this year went to the United States. After seasonal and calendar adjustment, exports of goods to the United States decreased by 10.5 per cent MoM, with the value of exports falling to €13.0 billion. This is the lowest level since October 2024 (€12.3 billion).Exports to the United States were down by 6.3 per cent YoY on a calendar- and seasonally-adjusted basis. Exports to China decreased by 5.9 per cent YoY to €7 billion and exports to the United Kingdom dropped by 2.1 per cent YoY to €6.3 billion in the month. Most imports in April came from China. Goods worth €13.9 billion were imported from there on a calendar- and seasonally-adjusted basis. This was a decrease of 4.1 per cent compared with the previous month.

Imports from the United States rose by 3.9 per cent to €8.4 billion. During the same period, imports from the United Kingdom dropped by 8.1 per cent to 3.0 billion euros. After calendar and seasonal adjustment, exports to Russia decreased by 5.3 per cent MoM and 9.3 per cent YoY to €0.6 billion in April.2025. Imports from there dropped by 22.6 per cent MoM and 50.3 per cent YoY to €0.1 billion in April.

Confidence in UK economy drops from 45% in 2015 to 28% : Barclays

Confidence in the strength of the UK economy has dropped from 45 per cent in May 2015 to 28 per cent now following Brexit, the COVID-19 pandemic-induced lockdowns, a cost-of-living crisis, rise of Gen Z and geopolitical issues, according to Barclays '10 Years of Spend' survey report.But confidence in non-essential spending has been strong, at an average of 53 per cent from 2015 to now, the report revealed.

Despite financial pressure, households' discretionary spending has grown by 9.2 per cent annually on an average between 2021 and 2024, outpacing essential spending's 5-per cent growth. Confidence in household finances has remained resilient, never dipping below 52 per cent, and averaging 69 per cent in the last 12 months. Therefore, confidence in household finances has proven to be more resilient than confidence in the wider UK economy.

Consumers are becoming increasingly savvy, paying more attention to their budgets, value for money and pricing tactics than ever before, a release from Barclays noted. Spending priorities are shifting; growth in discretionary purchases has outpaced essential spend since 2021, led by beauty, entertainment and travel. British adults' confidence in their ability to live within their means has held strong, reaching 74 per cent in May 2025, on par with 2019's figure of 73 per cent, when Barclays started tracking this measure, potentially due to more prudent budgeting. Sixty-six per cent pay more attention to their budget than they did a decade ago, while 45 per cent say they don't feel better off than they did 10 years ago.

Vietnam focusing on transition to circular economy in textile sector

In order to assist small and medium-sized businesses (SMEs) in the textile and apparel sector in their shift to a circular economy, Asia-Pacific Economic Cooperation (APEC) organized a two-day workshop in Hanoi.

Government officials, UN representatives, international associations, researchers, and textile companies from ASEAN nations, China, and Peru were all present at the workshop, which was organized jointly by the APEC Secretariat and Vietnam's Ministry of Industry and Trade.

The APEC workshop, according to Pham Quynh Mai, Deputy Director of the ministry's Multilateral Trade Policy Department, was a useful project inside the APEC framework that sought to offer solutions to assist MSMEs in implementing circular business models. As the textile sector is under increasing pressure to satisfy criteria for sustainability, carbon reduction, and supply chain transparency, she underlined the urgent need to shift to a circular economy.

According to Mai, MSMEs are essential to the industry despite their small, especially in emerging nations because they control employment and exports. In order to promote sustainable growth and change, the workshop exchanged experiences on how MSMEs in the textile and apparel industry have overcome obstacles in implementing circular business models. The necessity of coordinated efforts from Governments, international bodies, the private sector, and companies themselves was also emphasized by the delegates. Circular economy models present chances to cut waste and increase value through technology innovation, emphasized Carlos Obando of the APEC Secretariat.

The Vietnam Textile and Apparel Association's (VITAS) Vice President and General Secretary, Mr. Truong Van Cam, listed the industry's advantages from new-generation free trade agreements, skilled workers, and stable macroeconomic conditions. He did, however, identify escalating difficulties, such as the need to fulfil global climate pledges and transition from rapid fashion to sustainable fashion. Waterless dyeing technology, electric boilers in place of fossil fuel boilers, rooftop solar systems, trash and fabric recycling, and worker reskilling are some of the circular economy solutions that VITAS suggested to address these issues.

A textile and footwear development strategy has been authorized by the Vietnamese Government for the years 2021–2025. The strategy aims to increase exports by 7.5–8 per cent annually between 2021 and 2025, with a turnover of US $ 50–US $ 52 billion by 2025 and US $ 68–US $ 70 billion by 2030. By 2030, localization rates are predicted to rise to as high as 60 per cent.

Garment exports hit $10b as raw material import costs $4b

In the third quarter (January–March) of the current 2024–25 fiscal year, Bangladesh exported readymade garments worth a total of USD 10.34 billion (USD 1,034 crore). During the same period, USD 4.25 billion (USD 425 crore) was spent on importing raw materials. This means that the value addition in garment exports during the last quarter stood at 58.90 per cent while in the previous quarter, the value addition stood at 61 per cent.

These figures were revealed in the latest quarterly report by Bangladesh Bank on the ready-made garment sector. The report shows that since the fourth quarter of the 2021–22 fiscal year, value addition in garment exports has been hovering around 60 per cent. The Central Bank calculates the net export or value addition in the garment sector by deducting the cost of importing cotton, yarn, fabric, and accessories from total garment export earnings. Some also refer to net export income as the sector's value addition.

The Export Promotion Bureau (EPB) had inflated export figures in the last two fiscals. The export as well as the value addition rate saw a false increase then. The Bangladesh Bank brought this discrepancy in the statistics to light in middle of last year. The export data was later revised and the value addition rate in the garment sector dropped across seven quarters in the last two fiscal years in turn.

Due to the inflated export figures, value addition in garment exports suddenly jumped from 59 per cent to over 67 per cent for the second quarter (October–December) of 2022–23 fiscal year. The value addition ranged between 70 per cent and 72 per cent in the following five quarters. However, after the data revision, it was revealed that value addition in the January–March and April–June quarters of the fiscal year had actually dropped to 62 per cent. Meanwhile, the value addition ranged between 57.5 per cent and 61.5 per cent in all four quarters of 2023–24 fiscal year.

According to the Bangladesh Bank report, the export of readymade garments stood at USD 9.51 billion (USD 951 crore) in the first quarter (July–September) of the current fiscal year while the import of raw material was at USD 3.84 billion (USD 384 crore) resulting in a value addition of 59 per cent. Then in the second quarter (October–December), garment exports reached USD 10.37 billion (USD 1,037 crore), with USD 4.04 billion (USD 404 crore) spent on raw materials. With this the value addition stood at 61 per cent.

Trump says alignment with BRICS `Anti-American Policies' to invite additional 10% tariffs

U.S. President Donald Trump on Sunday (July 6, 2025) said that countries aligning themselves with the "Anti-American Policies" of BRICS, will be charged an additional 10% tariff.

"Any Country aligning themselves with the Anti-American policies of BRICS, will be charged an additional 10% Tariff. There will be no exceptions to this policy. Thank you for your attention to this matter!" Mr. Trump said in a post on Truth Social. Mr. Trump did not clarify or expand on the "Anti-American policies" reference in his post. Mr. Trump also said in a separate post that the U.S. will send out "letters" on tariffs and deals to various countries beginning on Monday (July 7, 2025).

The original BRICS group gathered leaders from Brazil, Russia, India and China at its first summit in 2009. The bloc later added South Africa and last year included Egypt, Ethiopia, Indonesia, Iran, Saudi Arabia and the United Arab Emirates and Indonesia as members. The 17th BRICS Summit— which groups Brazil, Russia, India, China and South Africa— saw participation from its members, partners, and outreach invitees. BRICS leaders took aim at U.S. President Donald Trump's "indiscriminate" import tariffs. In April, 2025 Mr. Trump threatened allies and rivals alike with a slew of punitive duties, before offering a months-long reprieve in the face of a fierce market sell-off.

Mr. Trump has warned he will impose unilateral levies on partners unless they reach "deals" by August 1, 2025. In an apparent concession to U.S. allies such as Brazil, India and Saudi Arabia, the summit declaration did not criticize the United States or its president by name at any point.

May French textile-RMG-leather goods manufacturing output up 3.3% YoY

French manufacturing output went down again by 1 per cent month on month (MoM) in May this year after a 0.7-per cent MoM drop in April 2025. The output drop was more moderate in the whole industry: minus 0.5 per cent MoM in May after minus 1.4 per cent MoM in April, 2025. Output fell MoM in most industries in the month, according to the National Institute of Statistics and Economic Studies (INSEE).Over a year, manufacturing output was down by 0.4 per cent in the country.

Cumulative output in the March-May 2025 quarter was lower by 0.4 per cent year on year (YoY) in the manufacturing sector, while it dropped by 0.8 per cent YoY in the whole industry, an INSEE release said. The output in the manufacturing of textiles, wearing apparel, leather and related products fell by 0.3 per cent MoM and increased by 3.3 per cent YoY in May 2025, an INSEE release said.

GST collection for May rises by 16.4% to ₹2.01 trillion

BY CA BALKISHAN CHHABRA

Gross GST collections grew 16.4 per cent to over Rs 2.01 lakh crore in May on higher revenues from domestic transactions.

The Central GST collection stood at Rs 35,434 crore, State GST at Rs 43,902 crore, Integrated IGST at Rs 1,08,836 crore and cess at Rs 12,879 crore, according to government data released on Saturday.

The total gross Goods and Services Tax (GST) revenue grew 16.4 per cent to over Rs 2.01 lakh crore in May as compared to Rs 1.72 lakh crore in the same month a year ago, it said.

In April, GST collections of Rs 2.36 lakh crore were the highest GST mop-up with 12.36 per cent annual growth. The highest-ever collection was in April 2025 at over Rs 2.36 lakh crore.

New advisory by GSTN: *Advisory regarding non-editable of auto-populated liability in GSTR-3B, Barring of GST Return on expiry of three years, Introduction of*

Enhanced Inter-operable Services Between E-Way Bill Portals, The Goods and Services Tax Network (GSTN) has announced the implementation of Seven important changes to the GST portal, which affect the business of buyers, sellers and transporters equally.

Advisory regarding non-editable of auto-populated liability in GSTR-3B

The Goods and Services Tax Network (GSTN) has issued a significant advisory notifying that, effective from the July 2025 tax period (i.e., for returns to be filed in August 2025), the auto-populated tax liability in Form GSTR-3B will no longer be editable.

At present, tax liability figures in Form GSTR-3B are auto-populated from Form GSTR-1, Form GSTR-1A, and the Invoice Furnishing Facility (IFF). Taxpayers are permitted to manually modify these values at the time of filing GSTR-3B, allowing flexibility to make last-minute adjustments.

Under the revised process, manual editing of these tax values will be discontinued. The figures displayed in GSTR-3B will be final and non-editable, sourced directly from the data furnished in Form GSTR-1/1A and IFF.

Taxpayers must ensure that all corrections or modifications to outward supply details are made through Form GSTR-1A, before filing GSTR-3B for the respective tax period. Once GSTR-3B is generated, it will only reflect the auto-populated figures, with no option to make changes during filing.

Barring of GST Return on expiry of three years

The Goods and Services Tax Network (GSTN) has issued an advisory clarifying the implementation of a three-year time limit for filing various GST returns, in accordance with Notification No. 28/2023 – Central Tax, dated July 31, 2023.

As per the notification, taxpayers shall not be permitted to file returns after the expiry of three years from the due date of furnishing of said return under Section 37 (Outward Supply), Section 39 (payment of liability), Section 44 (Annual Return) and Section 52 (Tax Collected at Source). These Sections cover GSTR-1, GSTR 3B, GSTR-4, GSTR-5, GSTR-5A, GSTR-6, GSTR 7, GSTR 8 and GSTR 9.

This restriction will be enforced on the GST portal from the July 2025 tax period onwards, meaning returns with due dates exceeding three years will no longer be accepted for filing through the system.

Taxpayers are strongly advised to review and reconcile their return filings, and to ensure that any pending or overdue returns are filed before July 2025. Failure to do so could result in a permanent inability to file such returns on the portal, possibly affecting compliance ratings and leading to additional scrutiny or penalties.

Introduction of Enhanced Inter-operable Services Between E-Way Bill Portals

The Goods and Service Tax Network (GSTN) has introduced enhanced inter-operable services between e-way bill portals. The GSTN informed that NIC shall be launching the new E-Way Bill 2.0 portal (https://ewaybill2.gst.gov.in) on 1st July 2025, featuring enhanced inter-operable E-Way Bill functionalities.

The portal is being introduced to provide enhanced interoperability between the existing E-Way Bill 1.0 Portal (https://ewaybillgst.gov.in) and the new portal.

The new E-Way Bill 2.0 portal has been developed in response to taxpayers' demands for continuity in services during exigencies. It enables cross-portal access to critical E-Way Bill functionalities, ensuring seamless operations for taxpayers and transporters.

The following additional services will be available on the E-Way Bill 2.0 portal for E-Way Bills generated on either portal (E-Way Bill 1.0 or E-Way Bill 2.0):

***a)** Generation of E-Way Bill based on Part-A details entered by the supplier*
***b)** Generation of Consolidated E-Way Bills*
***c)** Extension of validity of E-Way Bills*
***d)** Update of transporter details*
***e)** Retrieval of consolidated E-Way Bills*

These services are in addition to the currently

available cross-functional services:

a) Generation of E-Way Bills
b) Updating of vehicle details
c) Printing of E-Way Bills

Both portals will operate on a real-time synchronised architecture wherein E-Way Bill data will be mirrored across both systems within seconds. In the event of a technical issue or downtime on the E-Way Bill 1.0 portal, taxpayers may perform all necessary operations (e.g., updating Part-B) on the E-Way Bill 2.0 portal and carry the E-Way Bill slip generated therefrom. This dual-system approach is designed to eliminate dependency on a single portal and ensure business continuity.

All the above services will also be made available to taxpayers and logistics operators through APIs, in addition to the web portal interface. These APIs are currently hosted on the sandbox environment for testing and integration purposes.

Handling of Inadvertently Rejected records on IMS

The GSTN has issued an Advisory dated 19.06.2025, regarding the treatment of inadvertently rejected records (invoices, debit notes, credit notes, and ECO documents) by the recipient in the Invoice Matching System (IMS), particularly where GSTR-3B for the same tax period has already been filed.

Key FAQs and Clarifications are as under:

Question 1: *How can a recipient avail ITC of wrongly rejected Invoices/ Debit notes/ECO-Documents in IMS as corresponding GSTR-3B of same tax period was also filed by recipient?*

Answer: *In such cases recipient can request to the corresponding supplier to report the same record (without any change) in same return period's GSTR-1A or respective amendment table of subsequent GSTR-1/IFF. Thus, recipient can avail the ITC basis on amended record by accepting such record on IMS and re-computing GSTR-2B on IMS. Here the recipient will get ITC of complete amended value as original record was rejected by the recipient.*

However, recipient will be able to take ITC for the again furnished document by the supplier, as stated above, only in the GSTR-2B of the concerned tax-period.

Question 2: *If any original record is rejected by the recipient and supplier furnishes the same record in GSTR-1A of same tax period or in the amendment table of GSTR-1/IFF of subsequent period, till the specified time limit, then what impact it will have on supplier's liability?*

Answer: *In case supplier had furnished an original record in GSTR-1/IFF but the same record was rejected wrongly by the recipient in IMS. In such cases supplier on noticing the same in the supplier's view of IMS dashboard or on request of recipient, may furnish the same record again (without any change) in GSTR-1A of same tax period or in the amendment table of GSTR-1/IFF in any subsequent period, till the specified time limit, then the liability of supplier will not increase. As amendment table take delta value only. Thus, in present case of same values, differential liability increase will be zero.*

Question 3: *As a recipient taxpayer, how to reverse ITC of wrongly rejected Credit note in IMS as the corresponding GSTR-3B has already been filed?*

Answer: *In such cases recipient can request the concerned supplier to furnish the same Credit note (CN) without any change in the same return period's GSTR-1A or in amendment table of subsequent period's GSTR-1/IFF. Now recipient can reverse the availed ITC based on the amended CN by accepting the CN on IMS. Hence, the recipient's ITC will get reduced with complete amended value, as soon as the recipient re-computes GSTR-2B on IMS. The reduced value is same as that of the value of original CN as in this case the complete original CN was rejected by the recipient.*

Question 4: *If any original Credit note was rejected by the recipient and supplier furnishes the same credit note in GSTR-1A of same tax period or in the amendment table of GSTR-1/IFF of any future tax-period, till the specified time limit, then what impact it will have on supplier's liability?*

Answer: *At first instant the supplier's liability will be added back in the open GSTR-3B return, because of original credit note rejection by the recipient. However,* as the supplier furnishes the same credit note in GSTR-1A of same tax period or in amendment table of GSTR-1/IFF in any subsequent period, supplier's liability for this amendment will get reduced again corresponding to the value of amended CN (which in this case is same as original). Thus, net effect on liability of supplier will be only once.

Case Laws

ITC DENIAL MERELY FOR MISMATCH OR NON-PAYMENT BY SUPPLIER IS UNSUSTAINABLE, ESPECIALLY WHERE THE PURCHASER IS DILIGENT

The Allahabad High Court in the case of M/S R.T. INFOTECH VERSUS ADDITIONAL COMMISSIONER GRADE 2 AND 2 OTHERS vide Case No. Writ Tax No. 1330 of 2022 dated 30.05.2025, emphasized on a significant issue of denial of ITC to a bona fide purchaser due to default of the supplier. The Court held that ITC can't be denied if payment made via banking and invoices are valid, GSTR-2A mismatch not conclusive. The Authorities must act against supplier simultaneously u/s 73, 74 & 79 CGST Act.

Facts of the Case: *The Petitioner is an Authorized user of Bharti Airtel's recharge coupons for FY 2017–18. The Department denied ITC worth ₹28.52 lakh claimed on 7 invoices, despite petitioner having paid GST through RTGS. The department denied the ITC citing non-reflection in GSTR-2A and non-payment of GST by the supplier. Consequently, show cause notice was issued under Section 73, culminating in an order demanding ITC reversal with 10% penalty and interest. The first appellate authority also upheld the order.*

The Petitioner argued that payment was made through RTGS against valid invoices; the seller's default should not prejudice the purchaser.

Issue: *Whether ITC can be denied under Section 16(2)© of the CGST Act to a bona fide purchaser who received tax invoices, paid consideration including tax through banking channels. However, supplier failed to deposit the tax or file returns.*

Held that: *The Court noted that the petitioner has discharged his obligations, and made payment through banking channels. Also, tax invoices were genuine and undisputed. This satisfies that the conditions under Section 16(2)(a) & (b) i.e. receipt of goods/ services, possession of tax invoices and payment to the supplier.*

The Court held that Purchaser cannot ensure seller files GSTR-1 or pays taxes. Also, states that a purchaser cannot compel the seller to file return and deposit tax with the government. The purchaser cannot be penalized for the supplier's default.

Reliance placed upon judgments in the case of Suncraft Energy Pvt Ltd v. ACST (Supreme Court) and D.Y. Beathel Enterprises v. STO (Madras High Court), wherein it was held that Purchaser cannot be held liable solely due to seller's non-payment of GST, ITC can't be denied if payment made via banking and invoices are valid

The Court finds that the authorities failed to appreciate legal duties of both parties, no proper inquiry was conducted on supplier-side default and no reasoned order was passed. Hence, it quashes the orders and remands the matter back.

[The author is Senior Partner in M/s. CHHABRA B K & ASSOCIATES (Delhi / NCR). He can be reached at bkchhabra1@gmail.com and # 9810380489 / 9871630858].

Bio-based textile market shows growth; expected to reach US $ 17.31 billion by 2034: Research

The bio-based textiles market is on an upward trajectory as per the research conducted by the Polaris Market Research & Consulting. The research highlighted that the bio-based textile market's value stood at US $ 5.80 billion in 2024, and is expected to show a CAGR (compound annual growth rate) of 11.6 per cent from 2025 to 2034. As a result, this market is projected to reach US $ 17.31 billion by 2034.

Bio-based textiles are fabrics derived from natural, renewable sources such as plants, animals, or microorganisms, offering a sustainable alternative to conventional synthetic textiles such as polyester and nylon. These materials are produced using biological raw materials, including cotton, hemp, bamboo, flax, wool, silk, and innovative fibers such as lyocell and algae-based fabrics. Unlike petroleum-based synthetics, bio-based textiles are biodegradable or compostable, reducing environmental pollution and reliance on fossil fuels. The production of bio-based textiles generally consumes less energy and water, lowering the carbon footprint of the fashion and textile industries.

Among the reasons cited for this growth in the Asia-Pacific region includes the initiatives taken by the governments to drive eco-friendly manufacturing like providing research grants and subsidies. Apart from government support, expansion in middle-class population, and rising awareness about sustainability and environment, are also the factors promoting the bio-based textile industry.

With the bio-based textiles getting increasingly used in home upholstery, fashion, and other industrial areas, Europe led the shares with a significant 33.03 per cent share in the global bio-based textile market. The prime reason for the growth in Europe includes the strict environmental frameworks and regulations, concrete sustainability initiatives, and the high number of population driven towards supporting the eco-friendly materials.

The market in North America is projected to hold a substantial market share in 2034 due to rising consumer preference for sustainable products, corporate sustainability goals, and government incentives.

Sourced from biopolymers, plant fibres, and regenerated cellulose, the key players driving the market are Acme Mills Company, Archroma, Arkema, NatureWorks LLC, DuPont, Biome Bioplastics, and more. For instance, early this year, Arkema was among the companies that made a strong case for the bio-based textiles by launching the bio-based acrylic binders, which were engineered to cut down the carbon footprint in performance textiles.

Technical Textile Market Rising Demand and Growth Forecast Through 2032

According to a comprehensive report by Allied Market Research, the global technical textile market was valued at $191.7 billion in 2022 and is projected to grow to $331.8 billion by 2032, registering a CAGR of 5.7% from 2023 to 2032.

Evolving Nature of the Technical Textile Industry:

The growth of the technical textile sector is fueled by rising demand in core industries such as:

- *Automotive*
- *Healthcare*
- *Construction*
- *Agriculture*

Advancements in textile manufacturing technologies like smart textiles and nanotechnology are enhancing performance, durability, and functionality. In parallel, sustainability trends are reshaping material choices, with eco-conscious consumers and regulations pushing for biodegradable and recycled alternatives. Additionally, economic growth and improved living standards in emerging economies are driving the adoption of technical textiles in everyday applications.

Key Companies Profiled:

- *Asahi Kasei Corporation, Mitsui Chemicals, Inc., Ahlstrom-Munksjö, HUESKER Synthetic GmbH, SKAPS Industries, DuPont, Berry Global, Inc., Duvaltex, Freudenberg & Co. KG, Baltex, Trends, etc.*

Reshaping Market Dynamics:

Smart Textiles on the Rise:

- *Integration of sensors and conductive fibers is revolutionizing applications in healthcare monitoring, sportswear, and wearable tech.*

Sustainability at the Forefront:

- *Surge in recycled PET-based geotextiles and agro-textiles*
- *Emphasis on bio-based fibers, low-energy production, and waterless dyeing methods*

Boom in Construction and Infrastructure:

- *Geotextiles and non-woven fabrics are increasingly used for soil stabilization, erosion control, and filtration, especially in infrastructure-focused emerging markets.*

Innovation in Automotive and Aerospace:

- *Demand for technical textiles with fire retardant, lightweight, and high-strength properties is growing to enhance safety and fuel efficiency.*

Technical Textile Market, by Material (Natural Fiber, Synthetic polymers/fibers, Mineral fiber, Regenerated Fiber, Metal fiber, Others), by Process (Woven, Knitted, Non-Woven, Others), by End-Use Application (MobilTech, InduTech, SporTech, BuildTech, HomeTech, ClothTech, MediTech, AgroTech, ProTech, PackTech, GeoTech, OekoTech).

China Dominates Textile Machinery Investment as Global Shipments Show Divergence in 2024

China continues to be the largest investor in new textile machinery, according to 47th annual International Textile Machinery Shipment Statistics (ITMSS) released by the International Textile Manufacturers Federation (ITMF).

The 2024 survey was compiled in cooperation with more than 200 global textile machinery manufacturers. The report covers six segments of textile machinery: spinning, draw-texturing, weaving, large circular knitting, flat knitting, and finishing.

Overall, ITMF said global textile machinery shipments show mixed performance in 2024.

In spinning, deliveries of short-staple spindles and open-end rotors slowed. The total number of shipped short-staple spindles decreased by 3.8 million units in 2024 to a level of 5.92 million. Though Asia and Oceania claimed 90 percent of the shipments, deliveries were down 36 percent compared to 2023. Shipment to Africa, Europe, North and Central America saw double-digit increases.

South America and Eastern Europe were outliers of the downward trend, where shipments increased 1.7 percent and 10.5 percent, respectively.

Global shipments of long-staple (wool) spindles increased to 600,000 units in 2024, driven by a rise in deliveries to Asia and Oceania and Eastern Europe.

Global shipments of shuttle-less looms increased by 32 percent to 226,000 units. Deliveries in the categories "air-jet" and "water-jet" grew by 10 percent and 56 percent, respectively. The number of "rapier and projectile" looms declined 7 percent 25,000 units.

Asia and Oceania was the main destination for shuttle-less looms with 97 percent of worldwide deliveries. The main investor in all loom categories was China where shipment grew.

Global shipments of large circular knitting machines decreased 15 percent to 28,000 units in 2024. However, the number of shipped electronic flat knitting machines increased 16 percent. Asia and Oceania was the world's leading investor in circular and flat knitting machinery.

ITMF noted mixed results in the finishing category. Participating companies reported a 53 percent decrease for Dyeing – Line, CPB and a 390 percent for Dyeing – Line, Hotflue.

The number of "jigger dyeing beam dyeing" shipped in 2024 decreased 44 percent to 371 units. Deliveries of "air jet dyeing" and "overflow dyeing" rose 18 and 5 percent, respectively.

The texturing machinery category saw the largest gains. Global shipments of single heater draw-texturing spindles, which are mainly used for polyamide filaments, increased 95 percent from nearly 43,000 units in 2023 to 84,000 units in 2024. China, Vietnam, and India were the 3 main investors in this segment.

Deliveries of double heater draw-texturing spindles, which are mainly used for polyester filaments, grew 80 percent, with 95 percent going to China.

Textile Market Report 2025 – Strategic Insights for Companies Seeking Expansion, Growth & Competitive Advantage

How Big Is The Global Textile Market Expected To Grow?

The textile market has surged recently and will continue to grow, rising from $640.43 billion in 2024 to $696.16 billion in 2025. This impressive 8.7% Compound Annual Growth Rate (CAGR) can be ascribed to a surge in world population, increased demand for man-made fibers, government initiatives for the textile industry, robust economic growth in emerging markets, and a ban on plastic usage.

What Is Its Annual Growth Rate?

The forecast suggests promising prospects for the textile market. By 2029, the textile market is projected to reach a significant $915.96 billion at a CAGR of 7.1%. This optimistic anticipation can be associated with a rising global population and urbanization, exponential ecommerce growth, an increase in expenditure on leisure, improved retail penetration, augmenting internet usage and smartphone prevalence, and a growing preference for non-contact delivery solutions. A major trend in this market is the increased focus on digital textile printing inks, non-woven fabrics, organic fibers, sustainable fibers, blockchain in the manufacturing processes, digital platforms in textile supply chain management, partnered with tech-firms for developing smart fabrics, robotics and automation, investing in artificial intelligence, and collaborations to develop innovative products.

What Is Driving the Growth of the Textile Market?

Increasing internet penetration and smartphone usage are expected to propel the growth of this market going forward. Internet penetration refers to the percentage of a population with internet access, while smartphone usage pertains to the extent individuals use advanced mobile devices for various online activities and applications. The textile industry helps social media channels connect influencers and fashion icons to people through their social feed, hence introducing them to the latest trends in fashion.

Which Leading Companies Are Driving the Growth of the Textile Market Share?

Notable companies contributing to the textile market's growth include Toray Industries Inc., Sinopec Group, Mohawk Industries, Inc., and Far Eastern New Century.

What Are the Key Trends of the Textile Market?

The use of artificial intelligence AI in textile manufacturing is another leading trend. Manufacturers are turning to AI to enhance their production processes and product quality, extending its use to the quality inspection of fabrics.

How Is the Global Textile Market Segmented?

The textile market can be segmented based on type, material, and process. Types encompass fabrics, yarn, fiber and thread, home furnishings and floor coverings, textile and fabric finishing and fabric coating mills, and other textile product mills. Materials can be characterized as cotton, jute, silk, synthetics, and wool, while processes can be woven or non-woven.

What Is the Leading Region in the Textile Market?

Regional Insights: In 2024, Asia-Pacific was the largest region in this market, followed by Western Europe. This report includes other regions like Eastern Europe, North America, South America, Middle East, and Africa. The countries covered in this report are inclusive of Australia, China, India, and Indonesia, to name a few.