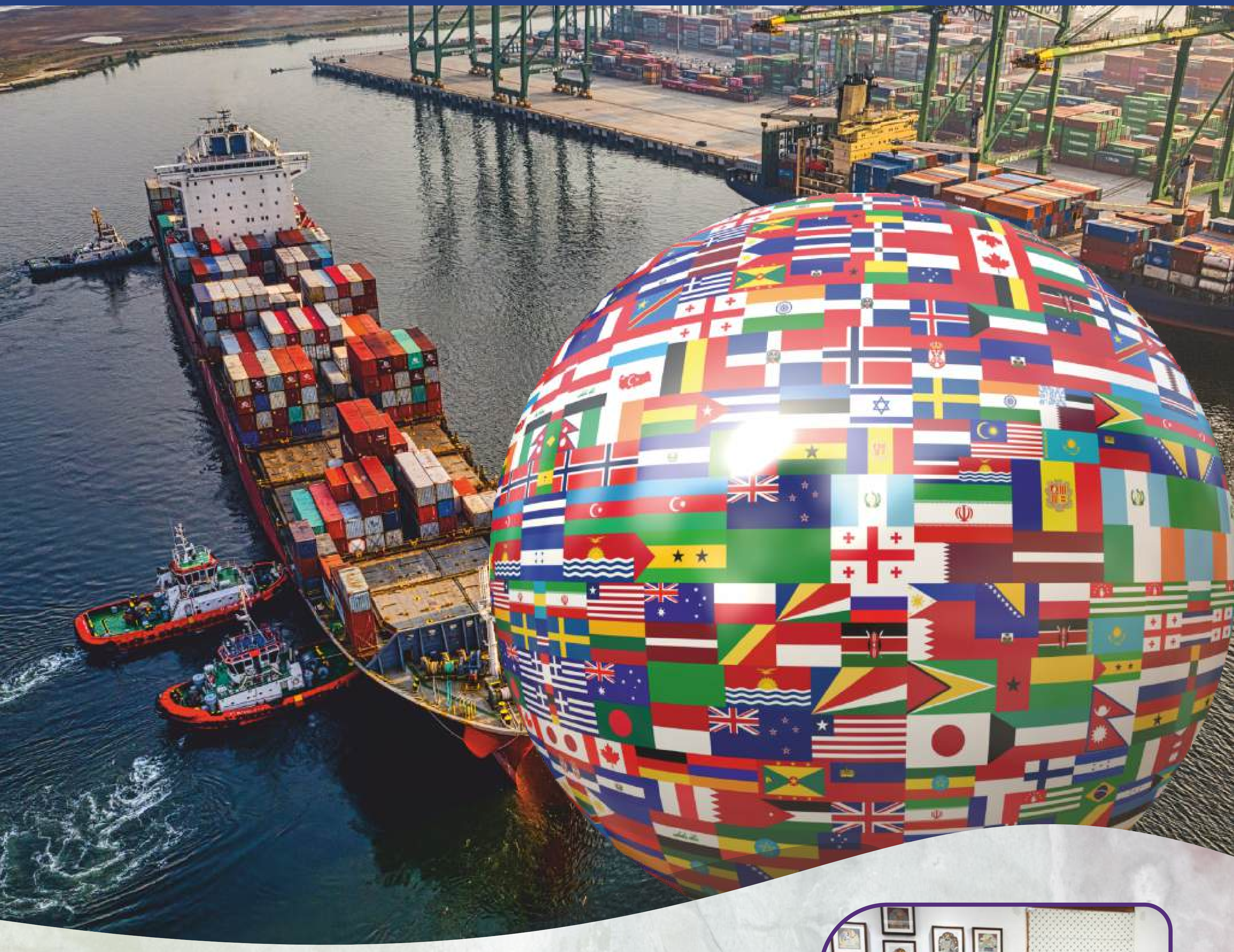
YR 25 ISSUE 10

Apparel INDIA

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



India's Growing Push to FTAs- Rewiring Global Sourcing

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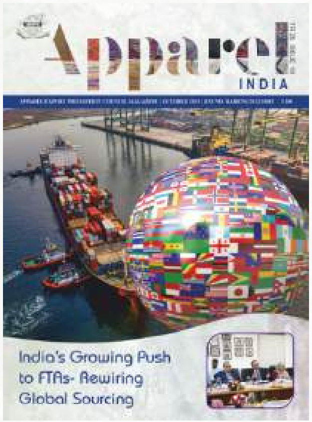
YR 25 | ISSUE 10 | October, 2025 | PAGES 60



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Dear member exporters,

Greetings of the day!

India's apparel industry is today defined by both remarkable resilience and transformative potential. The global trade environment is undergoing rapid change, with evolving tariff regimes, shifting consumer preferences, and supply chain realignments. Amidst these shifts, India's apparel sector has demonstrated its inherent strength, adaptability, and forward-looking spirit.

In the midst of "Trump Tariff" shocks our exporters have demonstrated exemplary resilience. Indian apparel exporters have responded with patience by continuing to service existing export orders despite suffering losses. While the tariff measures have created temporary disruptions, the sector has responded with agility—by recalibrating sourcing strategies, strengthening backward linkages, and exploring new market avenues across Latin America, Africa, and East Asia.

The cumulative RMG exports for the period April- September 2025-26 is USD 7763.4 mn. showing a growth of 3.4% over April-September 2024-25.

At the same time, India's expanding network of Free Trade Agreements (FTAs) is emerging as a cornerstone for our market diversification strategy. The operationalization of the India–EFTA agreement, the imminent operationalization of the India–UK FTA, and the advanced negotiations with the European Union collectively promise preferential or zero-duty access to markets representing nearly $25 trillion in combined economic size. These trade partnerships are expected to offset tariff disadvantages, restore competitive parity with nations enjoying existing trade pacts, and open fresh opportunities for the apparel sector to grow its global share.

Looking ahead, the future of Indian apparel exports lies in aligning with emerging global priorities — sustainability, technology integration, and nearshoring trends. The world is transitioning towards low-carbon production, traceable supply chains, and digitized trade processes. For India to capture the next wave of growth, our enterprises must continue investing in green manufacturing, circular fashion, skill enhancement, and design-led innovation.

As we navigate through policy transitions and market uncertainties, collaboration will be key — between government, industry, and trade bodies. The Apparel Export Promotion Council (AEPC) remains committed to supporting our exporters through policy advocacy, capacity-building, and market intelligence to ensure Indian apparel continues to represent quality, craftsmanship, and trust across the world.

AEPC organized several webinars to augment the capacity of the apparel exporters. webinar on the India–Russia Trade Connect: Opportunities, Logistics, Compliance and Payment Mechanism; on AI for Apparel Exporters: Simplifying Documentation, Compliance, and Trade Processes; GST 2.0 for Apparel Exporters: Strengthening Compliance and Enhancing Global Competitiveness, etc. during the month.

We have submitted our budget proposal to the line Ministries and hope to get the much-needed support now. AEPC also submitted the memorandum to the RBI Deputy Governor seeking urgent financial relief and policy support for MSMEs in Apparel Exports.
AEPC also celebrated Diwali at Apparel House with full vigor and enthusiasm.

The road ahead is challenging, yet full of promise. By leveraging trade partnerships, embracing sustainability, and strengthening our competitiveness, India's apparel sector is well poised not just to withstand the global turbulence, but to lead the next chapter of growth in global fashion trade.

Warm regards,

Sudhir Sekhri,
Chairman,
Apparel Export Promotion Council (AEPC)

India's Index of Industrial Production (IIP)

Textiles & Wearing Apparel update for India's Index of Industrial Production (IIP) for the month of September 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	105.7	0.4	105.1	114.2	8.7
May	107.0	103.8	-3.0	123.6	126.5	2.3
June	106.2	107.8	1.5	122.6	127.7	4.0
July	109.1	107.6	-1.4	111.7	115.3	3.2
August	109.4	107.7	-1.6	112.5	107.2	-4.7
September	109.3	110.6	1.2	103.7	100.8	-2.8
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-Sep)	**107.7**	**107.2**	**-0.5**	**113.2**	**114.8**	**1.4**

Source: CSO,2025
***Figures for September 2025 are Quick Estimates. (Base: 2011-12=100)**

- *Manufacturing of Textiles Index for the month of September, 2025 is 110.6, which has grown by 1.2% as compared to September, 2024.*

- *Manufacturing of Textiles Index for the financial year 2025-26 (April-September) is 107.2, which has shown a decline of 0.5% to as compared to the year 2024-25 (April-September).*

- *Manufacturing of Wearing Apparel Index for the month of September, 2025 is 100.8, which has declined by 2.8 % as compared to September, 2024.*

- *Manufacturing of Wearing Apparel Index for the financial year 2025-26 (April-September) is 114.8, which has shown a growth of 1.4% as compared to the financial year 2024-25 (April-September).*

INDIA'S READY-MADE GARMENT (RMG)

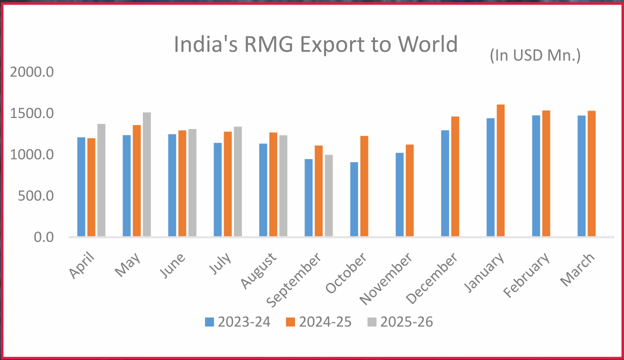
India's RMG Export to World

Month	(In US$ Mn.)			YoY Growth (%)	
	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	1309.8	3.7	1.2
July	1142.0	1278.0	1338.7	11.9	4.7
August	1133.5	1268.2	1234.6	11.9	-2.6
September	946.3	1110.2	997.5	17.3	-10.1
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**	**15989.8**	**7763.4**	**10.0**	**3.4**

Note- 1) Data for the month of September 2025 is provisional data released on PIB by Ministry of Commerce on 15.10.2025
2) Sum of the value for (Apr-Sep) 2023-24 is USD 6916.4 mn and (Apr-Sep) 2024-25 is USD 7506.0 mn. and (Apr-Sep) 2025-26 is USD 7763.4 mn.
3) Source: DGCI&S 2025

RMG exports for the month of September 2025 has decreased by 10.1% as compared to September 2024 and increased by 5.4 % as compared to September 2023.

Similarly, cumulative RMG exports for the period April- September 2025-26 is USD 7763.4 mn. showing a growth of 3.4% over April- September 2024-25 and a growth of 12.2 % over April- September 2023-24.



India, Brazil agree to expand scope of existing trade pact between India-Mercosur Bloc

India and Brazil have agreed to explore ways to expand their existing Preferential Trade Agreement (PTA) as part of efforts to deepen bilateral economic and strategic ties. The agreement was reached during the India-Brazil Business Dialogue in New Delhi on Tuesday, 16TH October 2025, which was attended by Brazil's Vice President Mr. Geraldo Alckmin, Defence Minister Mr. José Múcio Monteiro Filho, and India's Commerce and Industry Minister Shri Piyush Goyal.

Shri Goyal said that discussions focused on strengthening trade cooperation and widening market access for businesses from both countries. "With Brazil today, we discussed expanding our PTA from its current level so we can penetrate the South American market in a bigger way," Shri Goyal told reporters, describing the meeting as "a very good dialogue and He underscored that the participation of Brazil's top leadership, including its defence and health ministers, reflected the "increasing interest in the Indian growth story".

Vice President Mr. Geraldo Alckmin, who also serves as Brazil's minister of development, industry, trade and services, said India and Brazil share a strong relationship and that bilateral trade between the two nations touched $12 billion in 2024. "This year, exports from India to Brazil have grown over 30% and exports from Brazil are also growing. We will overcome the foreign trade target of $20 billion by 2030. Both countries do not compete but complement each other. Brazil is opening its doors to Indian investment, and together we can transform our economies and forge a strong Brazil–India alliance for the future," Mr. Alckmin said that Brazil considered India a priority partner for export and investment diversification. "The ongoing cooperation on an investment facilitation agreement and measures to avoid double taxation would create a more predictable and secure business environment. We want to broaden the Preferential Trade Agreement so that our trade flows expand. We also want to strengthen our long-term cooperation in the civil and defence sectors," he added. The Vice President also invited Indian companies to invest in Brazilian sectors such as automotive, IT, renewables, clean energy, healthcare, aerospace, agriculture, semiconductors, and digital innovation. He said that both sides were working on an e-visa system to enhance connectivity and ease of travel.

Pacts with UK, EFTA to bring in $100bn investments: Shri Piyush Goyal

Minister of Commerce and Industry Shri Piyush Goyal listed the Trade and Economic Partnership Agreement (TEPA) between India and the European Free Trade Association (EFTA) which has now come into force, and his meeting with UK Prime Minister Mr. Keir Starmer in Mumbai to advance the India-UK trade and investment partnership as major highlights of his ministry.

"The TEPA between India and EFTA, has come into force. The shared objective of the agreement is to mobilize $100 billion in investments and create one million direct jobs in India over the next 15 years," he said. Under EFTA, the four-nation bloc comprising Switzerland, Norway, Iceland and Liechtenstein, is offering 92.2% of its tariff lines, which cover 99.6% of India's exports to the region. The EFTA's market access offer covers 100% of non-agricultural products and tariff concessions on some processed agricultural products. India is offering 82.7% of its tariff lines, which cover 95.3% of EFTA exports. However, the effective duty on gold remains untouched.

The pact will reduce tariffs on specific EFTA goods for Indian consumers, such as Swiss watches, whisky, and chocolates. The agreement includes provisions for mutual recognition of services, allowing professionals in fields like nursing, chartered accountancy, and architecture to work in EFTA countries. It also covers intellectual property rights, with a focus on addressing India's concerns about patent safeguards, particularly the ever greening of patents in pharma products. Shri Goyal said: "met UK PM Mr. Keir Starmer in Mumbai and discussed ways to strengthen the India-UK trade and economic partnership. Also met Peter Kyle, UK Secretary of State for Business and Trade, in Mumbai to advance the India-UK trade and investment partnership."

India–EFTA trade pact comes into force, unlocking new opportunities for textile industry

The India–European Free Trade Association (EFTA) Trade and Economic Partnership Agreement (TEPA) came into effect on 1 October, marking a significant milestone in India's trade and investment landscape. The Ministry of Commerce and Industry confirmed that the agreement had been signed on 10th March last year in New Delhi. EFTA, which comprises Iceland, Liechtenstein, Norway and Switzerland, presents substantial opportunities for India to expand international trade in goods and services. Switzerland is India's largest trading partner within the bloc, followed by Norway. According to the ministry, the agreement was modern and ambitious, incorporating—for the first time in any free trade agreement signed by India—a binding commitment linked to investment and job creation. Unlike foreign portfolio inflows, this commitment focuses on long-term capital, aimed at strengthening capacity building, technology transfer and innovation.

The TEPA unlocked significant prospects for Indian textiles and apparel, with Indian exporters expected to benefit from tariff concessions and expand their presence in EFTA's premium textile market, which imports around US $ 14 billion worth of textiles annually. The agreement provided market access for goods and services, trade facilitation, investment promotion, intellectual property rights, and sustainable development. EFTA's market access covers 100% of non-agricultural products and tariff concessions on processed agricultural goods. Crucially, the pact carries a binding commitment of US $ 100 billion investment in India over the next 15 years, which was projected to generate 1 million direct jobs. The ministry stated that this would empower Indian exporters by providing access to specialised inputs and creating a favourable trade and investment environment.

This was expected to boost exports of Indian-made goods and open additional markets for services. The agreement spans 14 chapters, addressing areas such as rules of origin, sanitary and phytosanitary measures, technical barriers to trade, and investment promotion. On goods, EFTA has offered duty concessions on 92.2% of tariff lines, covering almost all of India's exports, including machinery, textiles, organic chemicals, processed food and marine products. To support implementation, the Ministry of Commerce and Industry announced that a dedicated EFTA Desk has been operational since February this year. This single-window mechanism was designed to facilitate investment, assist EFTA businesses in establishing and expanding operations in India, and serve as the primary channel for sustained dialogue between governments and businesses on both sides.

India, Russia in talks to resolve non-tariff issues affecting trade amid push for FTA

As India plans to take a step forward towards free trade agreement (FTA) talks with the Moscow-led Eurasian Economic Union (EAEU), both countries are in active dialogue to address several non-tariff issues, confirmed a source from the Ministry of Commerce. From listings to complex certification and testing requirements, Indian exporters continue to face challenges while tapping the Russian market. The source also confirmed that Russia has shown keen interest in having an FTA and thus, both sides are speeding up the discussions. India is pushing hard for resolving the non-trade issues without which there is minimal chance of increased trade even if a deal is done.

"The challenges include listing, certain compliance requirements and also obtaining approvals for agricultural and marine processing or export facilities," said an official aware of the matter. India has identified over 65 non-tariff measures affecting its trade with Russia, primarily in areas of marine and agricultural exports. Key issues include approval of export units for products like shrimp, as well as other certifications and streamlined procedures needed to export goods. The Federation of Indian Export Organizations (FIEO) also identified complex certification and testing requirements , language and documentation barriers, limited market access for agri and pharma products and financial and payment issues as some of the major non-tariff issues affecting Indian exporters aiming to tap the Russian market.

"Russian authorities often mandate conformity with local (EAEU) standards, even for globally certified products. Also, all product documentation, packaging, and manuals must be in Russian, creating additional compliance cost," said Mr. S C Ralhan, President, FIEO. He also asserted that due to sanctions, there are restrictions on payments, banking channels, and currency conversion risks. Also non-recognition of Indian standards for several products in the agri, pharma sector has become particularly challenging. With increasing numbers of Vostro accounts, India is looking for avenues to tap the export market in Russia, else the trade deficit between the two countries will continue to grow. India's trade deficit with Russia has grown by more than 3.6% from $56.89 billion in 2023-24 to $58.96 billion in 2024-25 as imports rose to $63.84 billion from $61.159 billion, with exports remaining below $5 billion.

EU Council approves steps to conclude FTA with India by year-end

The Council of the European Union approved conclusions on a new strategic EU-India agenda which include efforts to conclude a balanced, ambitious, mutually beneficial and economically meaningful free trade agreement, which the European Commission and the Indian government aim to finalize by the end of the year. "Such agreement must include enhanced market access, removal of trade barriers, and provisions on sustainable development," the Council said in a statement on its website. The Council also emphasized the joint capacity and responsibility of the EU and India to safeguard multilateralism and the rules-based international order with the UN Charter at its core, as well as the multilateral trading system, in particular the WTO.

The promotion and protection of democratic values and norms, international law and human rights, including the rights of women and children, are an intrinsic part of the EU-India strategic agenda. The Council invites the High Representative and the Commission to take forward the articulation and implementation of the new strategic EU-India agenda based on the priorities set out in the Joint Communication, in which it welcomes the strong impetus in relations between the European Union and India, the statement said.

The conclusions endorse the Joint Communication on a "New Strategic EUIndia Agenda" by the High Representative and the European Commission, and its objective of deepening EU-India ties, including prosperity and sustainability, technology and innovation, security and defence, and connectivity and global issues. The Council further stated that against the backdrop of an increasingly complex geopolitical outlook, it welcomes closer collaboration between the EU and India on security and defence matters based on the principles of mutual trust and respect The Council also said that it takes note of the intention to pursue work towards the establishment of a Security and Defence Partnership, which could also facilitate defence industrial cooperation when appropriate, the statement said. The Council will continue to engage with India on all aspects of Russia's war of aggression against Ukraine, the statement added.

Government revokes Quality Control Order on Polyester Fibre and Yarn

- The removal of the QCOs will improve the cost competitiveness of Indian textile and apparel products by making it easier to obtain raw materials at internationally competitive prices

The Central government has revoked the Quality Control Order (QCO) on polyester fibre and yarn and PTA and MEG, which were introduced two years ago, bringing relief to the textile industry.

In an order dated November 12, 2025, the government said that based on powers conferred by Section 16 of Bureau of Indian Standards Act, it was revoking the orders of the Ministry of Chemicals and Fertilizers bringing in QCO on Ethylene Glycol, Terephthalic Acid, Polyester spun, grey and white yarns, polyester continuous filament yarn, polyester partially oriented yarn, and polyester industrial yarn.

The government brought in QCOs on polyester yarn, filament, fibre, and raw materials PTA and MEG, thus restricting imports.

India has a shortage of PTA and MEG, and yet the government introduced QCOs. These are critical raw materials for the manmade fibre sector. The QCOs led to prices increasing by almost ₹4 a kg, said Shri R.K. Vij, Secretary General of the Polyester Textile Apparel Industry Association.

According to chairman of the Southern India Mills Association Durai Palanisamy, one of the long-pending needs of the industry has been addressed by the government. The QCOs increased the cost of polyester fibre and filament yarn by 30 %. The raw material mainly used for MMF products and not manufactured in the country was not allowed for import and several manufacturers lost orders. The relaxation of QCOs will streamline the import of polyester and its raw materials, ensuring an uninterrupted supply to spinners, weavers, and processors. Competitive imports are expected to stabilise domestic prices, easing cost pressures on downstream manufacturers and exporters. This move has enabled small and medium enterprises to resume production efficiently, restoring cost competitiveness in both domestic and international markets and employment retention.

Shri Ashwin Chandran, Chairman of the Confederation of Indian Textile Industry, said "The rescinding of the Quality Control Orders (QCOs) on Polyester fibre and Polyester yarn comes as a great relief, as it has been a long-awaited demand of all the user industries. Polyester fibre and polyester yarn form most of the man-made fibre (MMF) products.

The removal of the QCOs will improve the cost competitiveness of Indian textile and apparel products by making it easier to obtain raw materials at internationally competitive prices. Coupled with the Export Package announced on November 12, the rescinding of these QCOs will act as a huge confidence-booster for the textile and apparel sector," he said.

The industry is hopeful of removal of QCO on viscose fibre and filament yarn and other textile raw materials too soon.

India To Stay Fastest-Growing Major Economy Despite US Tariff Hikes: Moody's

The report states that the pace of India's growth will be supported by robust infrastructure investment, strong domestic consumer demand, and export diversification.

India is expected to remain the fastest-growing economy among the G20 nations with a growth rate of 6.5 per cent through 2027, despite the Mr. Donald Trump administration's tariff hikes, according to Moody's latest 'Global Macro Outlook report for 2026-27'.

The Indian economy is projected by Moody's Ratings to grow at a strong pace driven by robust infrastructure investments and increased household consumption. Despite some caution in the private sector's capital spending, Moody's maintains India's GDP growth forecast at 7% for 2025, with slight adjustments for the subsequent years. This growth trajectory is reflected amid global challenges and highlights India's emerging trade partnerships outside traditional markets like the US and China.

Globally, Moody's Ratings forecast economic growth to range between 2.5% and 2.6% in 2026 and 2027, compared with 2.6% in 2025 and 2.9% in 2024.

Among major economies, the US is forecast to grow 1.8% in 2026 and 1.9% in 2027, while China's GDP will expand by 4.5% and 4.2% over the same period.

The US imposed a 50% tariff on Indian goods, which includes a 25% penalty for importing Russian oil.

Despite the headwinds, Indian exporters have succeeded in redirecting exports, with shipments rising 6.8% in September, while they fell 11.9% to the US, the report noted.

It also highlighted the growing momentum momentum in trade partnerships outside US-China. India and the UK have finalised a trade agreement and the country is in talks with the EU.

Inflation in India is expected to average around 3.5% in 2026 and 4% in 2027. It averaged at 2.5% between January and October this year.

Union Minister of Commerce & Industry Shri Piyush Goyal Holds a Series of High-Level Engagements in Rotorua

Union Minister of Commerce & Industry, Shri Piyush Goyal, undertook multiple high-level engagements aimed at deepening bilateral cooperation in trade, investment, connectivity, and cultural exchanges between India and New Zealand on the second day of his official visit to New Zealand.

Earlier in the day, en route to Rotorua, the Minister met CEO, Air New Zealand, Mr. Nikhil Ravishankar. Discussions focused on the airline's role in enhancing regional and global connectivity. Shri Goyal highlighted India's rapidly expanding aviation sector and underscored the significant opportunities it offers for strengthening collaboration in air services and tourism.

Upon arrival in Rotorua, Shri Goyal was received by Ms. Tania Tapsell, Mayor of Rotorua. The Minister thanked the Mayor for the warm welcome and commended the city's unique natural beauty and rich cultural heritage, expressing confidence that greater bilateral engagement would help boost trade and tourism linkages.

At Te Puia, the national centre for Māori culture and arts, Shri Goyal was accorded a traditional Māori welcome (Pōwhiri) in the presence of Mr. Todd McClay, Minister for Trade of New Zealand. The ceremony, which included customary chants and the hongi greeting, reflected the warmth and mutual respect between the two nations. Shri Goyal appreciated the Māori community for their rich cultural traditions and noted the resonance between Māori values and India's own civilisational ethos, particularly in their shared reverence for nature and community.

Later, Shri Goyal and Mr. Todd McClay co-chaired the India–New Zealand CEOs Roundtable, which brought together leading business representatives from both countries. Addressing the gathering, Shri Goyal highlighted India's rapidly transforming economic landscape and emphasized the vast potential for collaboration in technology, agriculture, education, clean energy, tourism, and sustainability. He welcomed the strong participation of Indian-origin business leaders and encouraged New Zealand industry to explore deeper partnerships with India for mutual growth.

Shri Goyal conveyed his gratitude to Minister Mr. Mc Clay for the gracious hospitality extended in his hometown, Rotorua and affirmed that both sides are committed to advancing India–New Zealand relations towards greater friendship, prosperity, and shared progress.

Minister of State for Commerce & Industry Shri Jitin Prasada leads India Business Delegation to the India–Romania Business Forum in Brașov

The Minister of State for Commerce & Industry, Shri Jitin Prasada, leads the India Business Delegation at the India–Romania Business Forum today, organised by the Chamber of Commerce and Industry of Brașov (CCIBv) in partnership with the Embassy of India in Bucharest and the Department for Promotion of Industry and Internal Trade (DPIIT), Government of India.

The engagement focused on expanding bilateral investment and industrial cooperation between the two countries, bringing together business leaders from priority sectors such as automotive, aerospace, defence, renewable energy, engineering services, and ICT.

In his address, Shri Prasada highlighted India's position as one of the fastest-growing major economies and invited Romanian enterprises to participate in India's dynamic manufacturing and innovation ecosystem under the Make in India and Production Linked Incentive (PLI) schemes.

A presentation on "Business Opportunities in India" outlined recent policy reforms, ease-of-doing-business measures, and state-level incentives across key industrial corridors. The session also featured the signing of Memoranda of Understanding (MoUs) and matchmaking interactions to explore joint ventures and technology partnerships between Indian and Romanian companies.

The Brașov Forum marked a significant milestone in India's trade and investment engagement with Central and Eastern Europe, reaffirming both nations' commitment to building long-term economic linkages in sustainable manufacturing, green energy, and high-technology industries.

Brașov symbolises modern Romania — where legacy industries meet new-age technologies, where small and medium enterprises are nurtured, and where innovation thrives. This spirit closely aligns with India's vision under Make in India and Digital India, where MSMEs and start-ups serve as engines of inclusive growth. There exists enormous scope for collaboration between Brașov's industrial strengths and India's manufacturing, design, and engineering capabilities.

India–EU FTA Discussions Intensify as EU Negotiators Arrive in New Delhi

A senior team of negotiators from the European Union (EU) is in New Delhi from 3 to 7 November 2025 for negotiations with Indian counterparts on the proposed India–EU Free Trade Agreement (FTA). The engagements aim to resolve key outstanding issues and advance the agreement toward a balanced and equitable framework that benefits both sides.

The visit follows Union Minister of Commerce and Industry Shri Piyush Goyal's official visit to Brussels (27–28 October 2025), where he held forward-looking discussions with H.E. Mr. Maroš Šefčovič, European Commissioner for Trade and Economic Security. These consultations reaffirm the commitment of both sides to intensify engagement and facilitate a comprehensive trade agreement.

Deliberations during the week will focus on core areas, including trade in goods, trade in services, rules of origin amongst others along with technical and institutional matters. The discussions are guided by a shared vision of a modern, robust, and future-ready FTA that reflects the priorities and sensitivities of both India and the EU.

The negotiations gained momentum with the virtual meeting between Commerce and Industry Minister, Mr. Piyush Goyal and EU's Commissioner for Trade and Economic Security, H.E. Mr. Maroš Šefcović and Agriculture & Food Commissioner, H.E Christophe Hansen on 3rd November 2025.

As part of the visit, Ms. Sabine Weyand, Director-General for Trade at the European Commission (EU DG Trade), will be in New Delhi on 5–6 November 2025 for high-level talks with India's Commerce Secretary Shri. Rajesh Aggarwal on key technical and policy issues.

The EU delegation's visit underscores the joint determination of India and the European Union to conclude a fair and balanced agreement, fostering trade, investment, innovation, and sustainable growth.

HIGH-LEVEL SAUDI DELEGATION ENGAGES WITH INDIAN TEXTILE LEADERSHIP TO BOOST SECTORAL COLLABORATION

- *Meeting underscores commitment to strengthening India–Saudi ties under the Strategic Partnership Council framework*

- *Readymade Garments Technical Textiles, Man-Made Fibres, Carpet , Handloom, and Handicrafts identified as key areas for collaboration*

A high-level delegation from the Kingdom of Saudi Arabia, led by H.E. Mr. Khalil ibn Salamah, Vice Minister of Industry and Mineral Resources, met with the Smt. Neelam Shami Rao, Secretary, Ministry of Textiles , Government of India, at Udyog Bhawan, New Delhi, to advance bilateral cooperation in the textile sector. The meeting marked a significant step forward in reinforcing trade and investment ties between the two nations.

India and the Kingdom of Saudi Arabia reaffirmed their robust economic relationship, with bilateral trade reaching USD 41.88 billion in FY 2024–25. India emerged as the second-largest supplier (USD 517.5 million) to Saudi Arabia's textile and apparel sector, capturing an 11.2% share of Saudi Arabia's total textile and apparel imports in 2024. Both sides expressed strong commitment to further deepening this trade relationship.

The dialogue highlighted significant opportunities for Saudi investment in India's Ready-Made Garments (RMG) sector—a key area for employment generation and exports.

With a shared vision for mutual growth, both parties discussed strategies to expand production capacities and market reach through collaborative efforts in textile manufacturing and trade.

Discussions also emphasized the importance of promoting sustainability across traditional sectors such as handloom, handicrafts, and carpets. These sectors not only represent India's rich cultural and artisanal heritage but also resonate with global consumer preferences for eco-friendly and ethically produced goods.

Strategic Alignment in MMF and Technical Textiles

A key highlight of the meeting was the mutual recognition of Saudi Arabia's strength in petrochemical-based industries and India's expanding capabilities in Man-Made Fibre (MMF) and Technical Textiles. These segments are poised to become pillars of bilateral trade, offering opportunities to leverage synergies in raw material sourcing, technology exchange, and product development. The Secretary, Ministry of Textiles, emphasized that MMF and Technical Textiles are emerging as high-growth sectors.

The Saudi delegation took keen interest in India's premier textile exhibitions and trade fairs such as BHARAT TEX, Reverse Buyer–Seller Meets (RBSMs), and other major expos that showcase the complete textile value chain. These events serve as platforms for global engagement, bringing together policymakers, industry leaders, investors, and buyers from over 100 countries. It was highlighted that several prominent Saudi companies participated in BHARAT TEX 2025, held in New Delhi in February 2025. Likewise, a delegation of Indian companies led by EPCH, along with artisans supported by the Ministry of Textiles, participated in Saudi INDEX 2025, held in September 2025.

Both sides agreed to continue utilizing these forums to showcase collaborative innovations and to explore new market and investment opportunities, the Indian side presented its two flagship initiatives—the PM MITRA (Mega Integrated Textile Region and Apparel) Parks and the Production Linked Incentive (PLI) Scheme for MMF and Technical Textiles. These schemes aim to create world-class infrastructure and boost domestic manufacturing. The Saudi delegation expressed interest in aligning these schemes with Saudi Arabia's industrial and investment priorities.

The engagement reflects a deepening of the strategic and economic partnership between India and the Kingdom of Saudi Arabia, setting the stage for a robust, future-ready textile collaboration.

Chairman AEPC, was part of this high-power meeting and shared his insights on the RMG sector and expressed intent to forge a strong bilateral relationship boosting investment and trade.

Ministry of Textiles celebrates 'World Cotton Day' 2025

- Government aims not only to expand exports and textile markets but also to achieve carbon neutrality by 2030: Shri Giriraj Singh

The Union Minister of Textiles, Shri Giriraj Singh and Union Minister of State for Textiles and External Affairs Shri Pabitra Margherita attended the celebration of World Cotton Day 2025 at New Delhi. The event was jointly organized by the Ministry of Textiles and Confederation of Indian Textile Industry (CITI) focusing on the theme “Cotton 2040: Technology, Climate & Competitiveness.”

While addressing the gathering, the Union Minister reiterated the Government’s commitment not only to achieving the USD 350 billion textile sector target by 2030, including USD 100 billion in exports, but also to moving towards carbon neutrality. He stressed that cotton is not merely a crop — it is the very soul of Indian agriculture, a reflection of the farmer’s sweat, resilience, and hope. He conveyed his wishes to cotton farmers on World Cotton Day as each thread of cotton carries the story of our farmers — of their hard work under the scorching sun, their prayers for rain, and their unwavering faith in the soil,”

The Union Minister noted that climate change and environmental sustainability pose major challenges to the sector. He emphasized that the climate is changing, and we must use water and electricity judiciously and work together to protect nature. Efficient water use, soil conservation, and adoption of renewable energy are vital to protect India’s predominantly rain-fed cotton regions and to ensure that the hard work of farmers leads to prosperity for generations to come.

Shri Giriraj Singh stressed that this transformation can only happen when every stakeholder—from farmers to textile exporters—works as one family. Although India accounts for 40% of the world’s cotton area, productivity remains around 450 kg per hectare, much lower than 2,000 kgs per hectare in many other countries. The Mission for Cotton Productivity, under active consideration, aims to address this gap. He also said that the increase in Minimum Support Prices (MSP) over the last decade has demonstrated the Government’s commitment to the cause of farmer welfare.

Highlighting the future potential of natural fibres like milkweed, ramie, and flax, he said that India’s farmers have the strength and wisdom to lead the world in sustainable fibre production. “The world is moving towards eco-friendly products, and our farmers can show the path ahead,” he added.

In a heartfelt appeal, the Union Minister called upon all stakeholders —ginners, spinners, brands, and exporters — to connect emotionally with the farmers who make the cotton journey possible. Let us make Kasturi Cotton Bharat the pride of every Indian — a cotton that the world recognizes for its purity, quality, and sustainability, just as it does Egyptian Giza or American Supima.

During the opening session, Shri Pabitra Margherita said India must strive to attain a leadership position in quality, sustainability, and ethical production. The Kasturi Cotton initiative has the potential to contribute immensely to the '5F' (farm-fibre-factory-fashion-foreign) vision of the Government, he pointed out. He added that India and Russia could forge deeper ties in the textiles and apparel arena.

Ms Neelam Shami Rao, Secretary Textiles in her address mentioned that World Cotton Day celebrates cotton's enduring link with livelihoods, sustainability, and innovation. She highlighted that the cotton sector supports six million farmers and provides employment to over 45 million people across the value chain.

She emphasized that the future of Indian cotton lies in technology-led transformation — from advanced cotton breeding and precision farming to digital traceability, data-driven extension services, and modernization of ginning infrastructure. These innovations, she noted, are vital to enhancing productivity, quality, and sustainability.

She urged all stakeholders to adopt a collaborative and technology-integrated approach to address the productivity challenges of the cotton sector. She also underlined the importance of sustainability certifications, quality assurance, and value addition to position Kasturi Cotton Bharat as a globally recognized symbol of purity, quality, and technological excellence. She also urged CITI CDRA to reach more farmers to undertake the High Density Planting System (HDPS).

Dr. M Beena Development Commissioner (Handlooms) & Textile Commissioner reiterated that a focus on technology and innovation is the need of the hour and the Ministry of Textiles is continuously supporting the industry through schemes such as ATUFS, PM MITRA, NTTM etc.

Smt. Padmini Singla, Joint Secretary, Ministry of Textiles, in her address, emphasized that enhancing sustainability is paramount, and the Ministry has been encouraging a collaborative approach to address the challenges faced by the textile industry. She highlighted the inter-ministerial coordination in launching a holistic plan Mission for Cotton productivity aimed at increasing cotton production and yield, thereby enabling farmers to enhance their income.

She stressed that the collective mission must be to enhance productivity, ensure quality and transparency, and build trust through traceable and sustainable cotton practices. In the global market, she added, labelling, contamination control, and traceability are emerging as non-negotiable trade parameters. Through strategic policies, scientific advancements, and strong industry partnerships, India can regain its leadership in high-quality cotton production, promote climate-smart and sustainable practices, and build a globally recognized brand for trusted, traceable, and premium Indian cotton.

This World Cotton Day 2025 celebration event also witnessed valuable insights from Shri Lalit Kumar Gupta, Chairman-cum-Managing Director of CCI, on the Corporation's contribution towards empowering cotton farmers of the country through various initiatives and digital transformation.

Shri Ashwin Chandran, Chairman, CITI, and Shri Ravi Sam, Vice Chairman, TEXPROCIL are focusing on the importance of cotton and textile industry in driving economic growth, employment generation, and providing livelihood to farmers, women empowerment.

The programme concluded with the signing of Commercial, Community and Council MoUs under the Kasturi Cotton Bharat initiative with renowned organizations like Nitin Spinners, Arvind Ltd, RSR International, All India Cotton FPO Association (AIFCA), Beetle Regen, Hohenstein, ICAR-CIRCOT and Noida Apparel Export Cluster (NAEC).

Various other eminent speakers shared their valuable insights during the occasion.

Tirupur Hosts Felicitation Ceremony for Hon'ble Vice President of India, Shri C.P. Radhakrishnan

The People's Forum of Tirupur organised a grand Felicitation Ceremony on 29th October 2025 in honour of Shri C.P. Radhakrishnan, the Hon'ble Vice President of India, marking his first visit to his hometown, Tirupur, since assuming office as the Vice President of the Republic.

In a moment of immense pride for the city, Dr. A. Sakthivel, Vice Chairman-AEPC, was the sole representative to deliver the address on behalf of all textile associations, the apparel industry, and the entire Tirupur district people's forum. His address marked a significant moment in the gathering.

In his address, Dr. Sakthivel thoughtfully reflected on the remarkable milestones accomplished by Shri C. P. Radhakrishna and the deep bond shared with our Vice Chairman over the past four decades. His words were received with warm appreciation by Hon'ble Vice President and applauded by all the distinguished participants present at the event..

In his acceptance speech, the Hon'ble Vice President acknowledged the current challenges facing Tirupur's textile industry, particularly following the recent tariff revisions by the United States. He remarked: "I have met the Union Minister for Commerce and Industry, Shri Piyush Goyal, on three occasions. The Minister has expressed optimism that the discussions between the both nations are progressing positively, with continuous exchanges of views. While the situation remains challenging, constructive dialogue is ongoing hence, there is no cause for despair. A day will surely come when exports to the United States will record double compared to the current levels". He said that the world is looking at Indian Prime Minister Shri Narendra Modi as a world leader and our Prime Minister wants everyone to cooperate for the progress of the country for the benefit of the people. He also shared old memories with those in attendance.

The occasion was marked by the warmth and pride of the people of Tiruppur as they collectively felicitated a leader who continues to inspire through his public service, simplicity and commitment to national progress.

AEPC organizes a webinar on the India–Russia Trade Connect: Opportunities, Logistics, Compliance and Payment Mechanism

The Apparel Export Promotion Council (AEPC) organised an in-depth webinar on "India–Russia Trade Connect: Opportunities, Logistics, Compliance, and Payment Mechanism" in collaboration with Sber Bank India, Russia's largest banking and trade facilitation institution. The session highlighted the strategic importance of the Russian market for Indian textile and apparel companies, especially in the context of global supply chain re-routing, the exit of several international brands from Russia, and the growing demand for trusted sourcing partners.

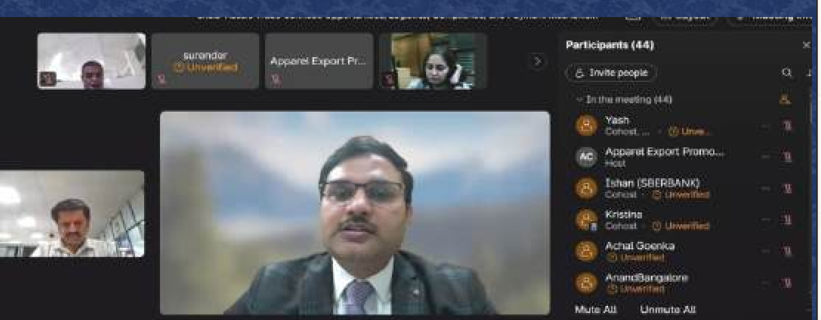
The programme aimed to provide exporters with a comprehensive understanding of Russia's textile and apparel ecosystem, market structure, import requirements, retail landscape, and financial mechanisms that facilitate Indo-Russian trade. Participants were introduced to sector-specific opportunities, regulatory frameworks, trade finance instruments, and advisory support offered by Sber to ease business entry and secure transactions.

The session received strong participation from Indian exporters eager to diversify their export destinations and leverage India's strategic relationship with Russia. The programme reaffirmed AEPC's commitment to supporting exporters in accessing emerging and non-traditional markets, strengthening trade capabilities, and tapping into new global demand segments. The webinar witnessed the participation of more than 60 people.

Speakers for the webinar

Mr. Indra Vikram Singh, Deputy Secretary General, AEPC, opened the session by contextualising the increasing relevance of Russia as a promising market for Indian apparel exports.

The programme featured senior experts from SberBank India, led by representatives responsible for trade advisory and client relations.



AEPC celebrated Diwali festival in Apparel House

The Council's employees observed the Diwali festival on 17th October, 2025. The festivities commenced with the illumination of the ceremonial lamp and a puja was performed for Maa Laxmi and Lord Ganesha.

Shri H K L Magu Chairman F & B addressed the gathering. Welcome address was delivered by the SG AEPC.

The Chairman AEPC addressed the gathering thereafter and wished happiness and prosperity to everyone. He also provided a comprehensive overview of the industry's accomplishments, the Council's achievements and future expectations.

The celebration ended with a vote of thanks by the Senior Director and lunch was served.

AEPC hosts a webinar on AI for Apparel Exporters: Simplifying Documentation, Compliance, and Trade Processes

The Apparel Export Promotion Council (AEPC) organized a focused training session on "AI for Apparel Exporters: Simplifying Documentation, Compliance, and Trade Processes" on 27th October 2025 in collaboration with Infiswift Technologies. The session aimed to demonstrate how artificial intelligence can help Indian apparel exporters streamline documentation, enhance compliance accuracy, and strengthen competitiveness in global markets.

The webinar attracted an enthusiastic participation from exporters, reflecting the growing interest of the industry in harnessing digital tools for operational efficiency. The session covered a range of AI-driven solutions designed specifically for export processes—from automated document validation to intelligent demand forecasting and buyer analysis.

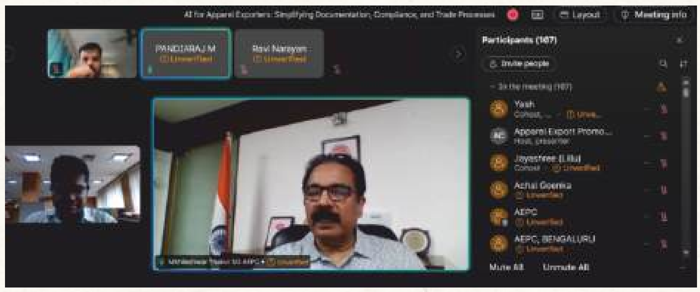
Experts from Infiswift Technologies shared how their AI platform can help exporters reduce paperwork, minimize shipment delays, and achieve faster clearance by integrating intelligent automation into their systems. The presentation also delved into the potential of AI to improve production efficiency, optimize costs, and enhance decision-making through predictive analytics and real-time insights.

Overall, the session equipped participants with practical knowledge on integrating AI into day-to-day export operations, reinforcing AEPC's efforts to prepare the Indian apparel sector for a technology-driven future.

The session saw the participation of over **130** participants.

Speakers from Infiswift

Shri Mithileshwar Thakur, SG AEPC did the context setting and set the tone for the webinar.



The programme featured domain experts from Infiswift:

- Ms Jayashree (Lillu)

The webinar effectively demonstrated how AI technologies are reshaping the future of apparel exports. Participants gained valuable insights into how data-driven automation can boost compliance, operational speed, and profitability.

Through this initiative, AEPC continues to promote technological awareness and encourage Indian apparel exporters to adopt smart tools that can help them meet the evolving demands of the global market.

AEPC seeks immediate support from RBI for MSMEs Apparel Exporters

AEPC Submits Memorandum to RBI Deputy Governor Seeking Urgent Financial Relief and Policy Support for MSMEs in Apparel Exports

Apparel Export Promotion Council (AEPC) submitted a comprehensive memorandum to Shri J. Swaminathan, Deputy Governor, Reserve Bank of India (RBI), seeking urgent financial relief and policy support to safeguard MSMEs in the apparel export sector amid the current global slowdown.

The high-level interaction was attended by Shri Neeraj Nigam, ED, RBI, Smt. Sonali Sen Gupta, ED, RBI, Shri Manoj Mittal, MD & CEO, SIDBI, Dr. A. Sakthivel, Vice Chairman-AEPC along with MDs of major public sector banks such as SBI, PNB, and Canara Bank, representatives from leading private banks, NBFCs, and senior officials from various departments of the RBI and office bearers of various Associations like TEA, CODISSIA etc.,

Dr. A. Sakthivel Vice Chairman, AEPC, Welcomed the Deputy Governor and the RBI delegation to the Tirupur Knitwear Cluster, and expressed deep appreciation to the RBI for its continued policy guidance and proactive measures that have greatly strengthened India's MSME and export ecosystem. He highlighted that Tirupur, where nearly 95% of the units belong to the MSME sector, stands as a symbol of entrepreneurial success and inclusive industrial growth enabled by progressive banking support.

Dr. Sakthivel drew attention to the serious challenges being faced by Indian apparel exporters following the steep tariff escalation by the United States on Indian garment imports from August 2025, which has raised export to US total duties to nearly 70%. This, he noted, has severely eroded India's price competitiveness against countries such as Bangladesh and Vietnam, which continue to enjoy preferential or lower tariff regimes.

In this context, AEPC urged the RBI to consider a set of critical policy measures to sustain MSMEs and safeguard employment across the apparel industry. The key requests included:

1. Immediate restoration of the Interest Equalisation Scheme at 5% for all exporters, without value cap restrictions.

Indian exporters continue to face high interest rates compared to competing nations such as Bangladesh and Vietnam.

It was requested to the immediate restoration of the Interest Equalisation Scheme for both Pre-shipment and Post-shipment Rupee Export Credit, to be continued for at least five years.

2. Financial Relief and Support Measures

A two-year moratorium (or until the crisis stabilizes) may kindly be allowed on repayment of the principal component of export-related loans, covering all borrowings availed for export purposes.

The NPA classification period may be temporarily extended from 90 days to 180 days during this moratorium period or until the situation normalizes.

Such a measure will provide much-needed relief to MSME exporters facing liquidity constraints due to delayed export realizations and global demand fluctuations.

3. Reintroduction of the ECLGS Scheme

The Emergency Credit Line Guarantee Scheme (ECLGS) implemented during the COVID-19 period provided significant support to MSMEs.

Considering the prevailing export slowdown and funding stress, we request reintroduction of the scheme in a modified form, ensuring coverage for MSME exporters with simplified eligibility norms and faster disbursal through banks.

4. Flexible Credit Flow and Simplified Compliance for MSMEs

RBI may consider directing banks to ensure adequate and timely credit for MSME exporters with proven track records.

A one-time restructuring window for export-related loans, without asset classification downgrade, may be permitted for units affected by global market disruptions.

Continued recognition of export-oriented MSMEs under Priority Sector Lending (PSL) would ensure sustained and affordable access to finance.

5. Support for Digital and Green Transition of MSMEs

MSMEs require assistance for adopting digital banking platforms, fintech-based trade documentation, and green manufacturing technologies to align with global compliance norms.

A Green MSME Finance Initiative under RBI's guidance can enable exporters to transition toward sustainability and circular manufacturing practices.

6. Banking support for PM MITRA Park units, particularly those investing in MMF-based advanced textile manufacturing.

Additionally, with the establishment of PM MITRA Parks across India, it is suggested that the RBI issue an advisory to all Banks to extend proactive financial support to units setting up operations in these Parks. As these upcoming units—predominantly in the Man-Made Fibre (MMF) segment—require substantial investment in specialized machinery and infrastructure, such support will play a crucial role in strengthening India's textile value chain. The PM MITRA initiative is poised to be a turning point in enhancing textile exports and contributing significantly to the nation's economic growth.

We once again express our deep appreciation for the Reserve Bank of India's continued guidance and support to MSMEs and the export sector. We humbly seek your kind intervention to consider the above measures on an SOS basis to safeguard the livelihood of millions of workers—particularly women—and to sustain India's apparel export competitiveness globally.

Dr. A Sakthivel reaffirmed AEPC's full cooperation with the RBI in all initiatives aimed at enhancing credit flow, employment generation, and export competitiveness.

GST 2.0 for Apparel Exporters: Strengthening Compliance and Enhancing Global Competitiveness

The Apparel Export Promotion Council (AEPC) conducted an insightful webinar on "GST 2.0 for Apparel Exporters: Strengthening Compliance and Enhancing Global Competitiveness" to familiarise exporters with the transformational tax reforms recently approved under the new GST 2.0 architecture. The programme brought together senior tax and trade policy experts from Lakshmikumaran & Sridharan (LKS), who provided a comprehensive overview of the evolving GST landscape, the expected impact on the apparel value chain, and the enhanced compliance ecosystem that will govern indirect taxation in the coming years.

The session assumed significance in the context of the Indian textile and apparel sector's increasing integration into global supply chains and the Government's commitment to streamline taxation to support export competitiveness. GST 2.0 aims to remove structural inefficiencies such as the inverted duty structure, expand liquidity through seamless refund mechanisms, introduce a system-driven and transparent compliance environment, and ensure that genuine exporters face minimal friction in their tax transactions.

The webinar was attended by apparel exporters across clusters, industry associations, and compliance professionals, reflecting the industry's readiness to adapt proactively to the changing tax regime. The webinar witnessed the participation of around 75 persons.

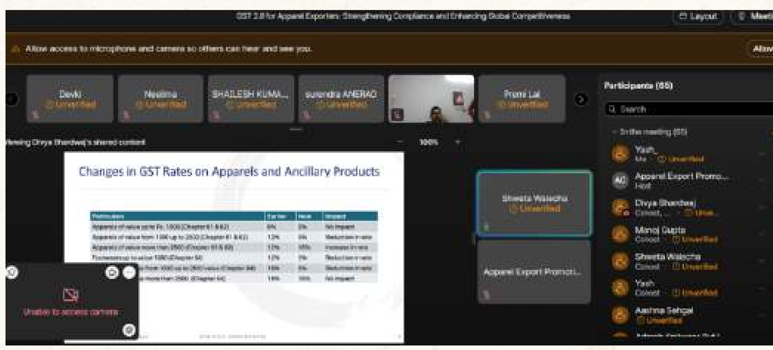
Speakers for the webinar

Ms. Shweta Walecha, Executive Partner, LKS

Ms. Divya Bhardwaj, Principal Associate, LKS

The session concluded by reiterating that GST 2.0 marks a significant step towards a modern, technology-enabled tax environment that encourages transparency, rewards compliant exporters, and facilitates smoother refund cycles. For the apparel sector, which operates within fast-moving cost structures and global lead times, these reforms hold the potential to significantly strengthen cash flow predictability and international competitiveness. Participants expressed appreciation for AEPC's initiative in facilitating timely knowledge dissemination and emphasised the need for continuous engagement as detailed implementation rules evolve over the coming months.

Working in tandem with industry experts, AEPC remains committed to guiding exporters through the transition, ensuring that the Indian apparel sector fully benefits from the efficiencies and reforms envisaged under GST 2.0.



AEPC ORGANIZES A BRAINSTORMING SESSION AT UDAIPUR

Urgent Action Needed to Stabilize India's Textile and Apparel Sector

A brainstorming session was held at Hotel Leela in Udaipur amongst various stakeholders of the Indian apparel industry in presence of Shri Rohit Kansal, Additional Secretary, Ministry of Textiles. Chairman AEPC Shri Sudhir Sekhri along with the other prominent members of the industry were present in the meeting. The industry leaders of the apparel sector highlighted the grave situation India's apparel sector was confronted with, particularly after the imposition of steep Trump tariff. Industry's immediate priorities and policy asks were discussed for immediate government intervention.

1.1 The industry highlighted following critical challenges, among others:

(a) Increasing diversion of buyer to countries like Vietnam, Cambodia, and Bangladesh due to steep US Tariff imposed against India.

(b) Severe liquidity and working capital constraints impacting MSME exporters in particular,

(c) Cascading adverse impacts affecting upstream stakeholders, including farmers, spinners, and fabric mills, and

(d) The need for both short-term relief and medium-term structural reforms to restore competitiveness.

The industry proposed a dual-track strategy, combining immediate administratively feasible measures with long-term reforms.

1.2 Priority short-term measures suggested by the industry included:

(1) Focus Market scrip to US exporters to compensate them for the losses incurred on account of huge discounts offered to US-based buyers,

(2) Announcement of long-term continuity of RoSCTL Scheme,

(3) Reinstatement of the Interest Equalisation Scheme, and

(4) Working capital relief through moratorium on loan repayments or enhanced credit access.

Medium-term recommendations included accelerated depreciation, a tailored Production Linked Incentive (PLI) scheme exclusively for the apparel sector or its rebranded successor, and a modernized Technology Upgradation Fund Scheme (TUFS).

A coordinated package of immediate relief and structural reforms is critical to stabilizing the sector, preserving India's global market share, and mitigating long-term risks to the textile-apparel ecosystem.

Shri Kansal, acknowledged the sector's urgency and committed to facilitating inter-ministerial advocacy. Industry members were requested to submit a concise proposal to enable swift budgetary approvals from the Ministries of Commerce and Finance.

2. Detailed Account of Industry's Concerns

2.1 Immediate Market Disruption and Buyer Behaviour

- Buyers are actively diverting orders to Vietnam, Bangladesh, and Cambodia. Exporters project substantial volume reduction over the next 6–12 months, driven by US tariff uncertainties and competitive pricing pressures.
- Industry members expressed concerns that short-term disruptions entail permanent buyer de-risking, with potential loss of market share to competitors unless swift, targeted interventions by the government restore confidence and competitiveness.

2.2 Value Chain and Macro Ripple Effects

- Loss of US orders threatens the entire cotton-to-garment value chain, impacting cotton farmers, ginners, spinners, and fabric producers. This could lead to supply chain dislocations and closure of smaller units leading to massive job losses.

2.3 MSME Fragility and Employment Risk

- MSMEs, particularly in clusters like Tirupur may soon face existential threats due to liquidity crises and order declines.
- Insolvency risks threatening widespread job losses in absence of immediate relief measures.

2.4 Cash Flow, Financing, and Competitiveness Pressures

- Exporters face loan servicing challenges, urging moratorium on repayment of loan for some period prevent defaults and closures.
- India's high cost of capital (6–8%) compared to competitors (China: ~3%, Vietnam: ~4.5%) erodes cost competitiveness. Industry members requested urgent restoration of Interest Equalisation Scheme.

2.5 Scheme Design and Access Constraints

- The Production Linked Incentive (PLI) scheme is focused on man-made fibres (MMF) based fabrics and apparel, and not on natural fibre-based apparel. Industry members wanted their earlier plea of PLI 2.0 for garments of all fibres to be revived under some different nomenclature to attract investment in garmenting.

2.6 Operational and Administrative Pain Points

- Lack of transparent, accessible information on PM MITRA parks (e.g., land costs, lease terms, worker housing). Industry members requests a concise, actionable one-pager with clear contact points.

3. Solutions proposed by Industry members

3.1 Highest Priority Short-Term Instruments (Fast-Deployable)

- Focus Market Scrip for US Shipments: Propose 15-20 % tradable duty credit scrips for US shipments to offset buyer discounts, and retain US orders.
- Interest Equalisation Scheme: Subsidize borrowing costs to align with competitor rates (target: 3–4%), enhancing export competitiveness and supporting MSME financial stability.
- RoSCTL Continuity and Enhancement: Extend RoSCTL schemes for at least another 5 years to bring the element of predictability in policy space and facilitate long term planning by the exporters.
- Moratorium and Working Capital Relief: Grant moratorium on loan repayments and provide working capital concessions (e.g., enhanced credit limits) to avert MSME closures.

3.2 Medium-Term and Structural Measures

- Rebranded PLI 2 or Apparel-Centric Incentive: Design a fibre-agnostic scheme to incentivize new investments in the apparel sector.
- Accelerated Depreciation on machinery: Offer 100–200% accelerated depreciation on machinery to boost cash flow and encourage modernization.

• ATUFS-Style Upgradation Support: Reinstate a simplified, credit-linked capital subsidy with clear machinery eligibility lists and expedited claim processes for MSMEs.

3.3 Operational and Cluster Recommendations

• **PM MITRA Parks:** Provide flexible plug-and-play models, affordable rental options, and "spoke" mini-parks within 50 km of existing clusters. Deliver a one-pager with site details, costs, and application processes.

• **Worker Accommodation and Training:** Scale NITI Aayog's pilot (30% central + 10% state subsidy) for safe worker housing and expand training programs to enhance workforce productivity.

• **Labour Cost Relief:** Temporarily subsidize employer PF/ESI contributions or leverage unclaimed PF balances to reduce payroll costs by ~12–14%, easing financial burdens.

3.4 Trade and Market Diversification

• **Launch subsidized garment** fairs and establish low-cost R&D centers to develop quality garments for markets like Japan, Korea, and Mexico, diversifying export destinations.

• **Accelerate trade outreach through targeted buyer** engagements and promotional campaigns in high-potential markets to offset US market losses.

4. Risks Identified and Mitigation Preferences

• **Risk:** Permanent buyer de-risking to competitors.

Mitigation Preference: Fast-track market scrips and RoSCTL continuity to signal stability.

• **Risk:** Supply chain shocks across fibre, yarn, and processing segments.

Mitigation Preference: Combine export-focused relief with domestic demand preservation and upstream liquidity support.

• **Risk:** Implementation delays and WTO constraints.

Mitigation Preference: Prioritize administratively feasible measures (e.g., scrips, local loan structures) to ensure compliance and speed.

5. Closing Recommendation

• **Industry's submission on immediate relief:** A concise submission will expedite inter-ministerial traction and budgetary approval.

• **Two-Track Strategy:** (a) Launch quick-start measures (Focus Market scrips, Revival of Interest Equalization Scheme, Moratorium on loan repayments, RoSCTL continuity) to stabilize immediate risks; (b) finalize medium-term fiscal instruments. (Rechristened version of PLI 2.0, Suitable substitute of ATUFS for micro units) .

Ministry of Textiles Notifies Major Amendments in PLI Scheme for Textiles to Boost MMF and Technical Textiles Sectors

The amendments underscore the Government's focus on fostering employment and driving India's leadership in the global textile market

PLI Scheme Application Portal Opened till 31st December, 2025

Ministry of Textiles has notified key revisions to the Production Linked Incentive (PLI) Scheme for MMF Apparel, MMF Fabrics, and products of Technical Textiles. These significant amendments are designed to address industry challenges, enhance ease of doing business, encourage fresh investments in the sector, and accelerate growth, underscoring the Government's focus on fostering employment and driving India's leadership in the global textile market. Amended guidelines of the Scheme are also being issued.

The key Revisions to the PLI Scheme:

- **Expansion of Eligible Products:** Inclusion of 8 new HSN codes for MMF Apparel and 9 new HSN codes for MMF Fabrics.

- **Relaxation from setting up new companies:** Applicants can now establish project units within the existing companies.

- **Reduction in minimum threshold of investment:** With effect from 01.08.2025, for all new applicants, minimum investment stands reduced from Rs. 300 crore to Rs.150 crore in Part-1 category and from Rs.100 crore to Rs.50 crore in Part-2 category of the Scheme.

- **Reduction in incremental turnover Criteria for incentive from earlier 25% to 10%:** Beginning FY 2025–26, applicants now have to demonstrate a minimum of 10% incremental turnover over the previous year to qualify for incentives (from Year 2 onwards).

The above revisions will significantly reduce entry barriers and financial thresholds, enabling faster execution.

Application Window Extended:

To encourage wider participation from the Industry, the Ministry of Textiles has opened the PLI Scheme application portal until 31st December, 2025. Interested companies are urged to take advantage of the revised framework and extended timeline to apply and contribute to India's vision of becoming a global textile manufacturing hub.

India's Growing FTA Network: Powering the Next Phase of Trade Expansion

India's trade landscape is undergoing a strategic transformation. With an ambitious push towards global economic integration, the country is weaving a web of Free Trade Agreements (FTAs) that promise to reshape its export potential, strengthen manufacturing competitiveness, and secure India's place in global value chains.

A Shift in Trade Strategy

For much of the past decade, India adopted a cautious stance toward trade pacts, often concerned about unequal market access and domestic industry vulnerabilities. However, the last few years have witnessed a decisive policy shift. India has moved from being hesitant to becoming proactive in signing balanced and mutually beneficial FTAs, emphasizing both market access and strategic partnerships.

This new approach is guided by "Atmanirbhar Bharat" (self-reliant India)—not as isolationism, but as confidence in India's ability to compete globally through modernized manufacturing, technology adoption, and skill development.

Expanding the FTA Footprint

India's FTA engagements have picked up unprecedented momentum:

♦ The India–UAE Comprehensive Economic Partnership Agreement (CEPA), operational since 2022, has significantly boosted exports in sectors such as gems & jewellery, textiles, and engineering goods.

♦ The India–Australia Economic Cooperation and Trade Agreement (ECTA), signed the same year 2022, has opened opportunities for Indian apparel, pharma, and IT services.

♦ The recently operational FTA with the European Free Trade Association (EFTA)—covering Switzerland, Norway, Iceland, and Liechtenstein—has cemented India's trade outreach to a $1.4 trillion bloc.

♦ Negotiations with the United Kingdom are at an advanced stage, while discussions with the European Union, Gulf Cooperation Council (GCC), and Canada reflect India's intent to deepen economic ties with key developed markets.

Collectively, these agreements will soon give Indian exporters zero-duty or preferential access to economies worth over $25 trillion, covering most of the developed world.

Driving Export Growth and Competitiveness

The FTAs are not merely trade instruments—they are growth catalysts. Sectors such as textiles and apparel, pharmaceuticals, engineering goods, automobiles, and agri-products stand to gain from tariff eliminations and simplified rules of origin. For instance, apparel exports to the UK and EU, currently facing tariffs as high as 9–12%, will become far more competitive once FTAs are finalized.

Moreover, FTAs are expected to attract foreign investments into India's manufacturing ecosystem. Global firms seeking tariff advantages will be incentivized to set up base in India, thus integrating the country deeper into supply chains serving Europe, the Middle East, and the Asia-Pacific region.

Balancing Access with Safeguards

India's negotiators have taken care to ensure that the new trade deals protect domestic interests. Unlike earlier agreements, the latest pacts include robust safeguard clauses, strict rules of origin, and review mechanisms to prevent import surges that could hurt local industries. This marks a maturation in India's trade policy—balancing liberalization with prudence.

The Road Ahead

India is actively negotiating new Free Trade Agreements (FTAs) with the European Union, New Zealand, the United States, Chile, Peru, Oman, and the Eurasian Economic Union (EAEU).

For India, FTAs are not an end in themselves but a means to an ambitious vision: to reach $2 trillion in exports by 2030. As the world diversifies supply chains beyond China, India's expanding FTA network offers a historic opportunity to position itself as a trusted and competitive trading partner.

Realizing this potential will require parallel domestic reforms—logistics modernization, standards alignment, and export financing support—to ensure Indian industry can fully leverage the preferential access gained through FTAs.

India's growing FTA network symbolizes its confident re-engagement with the world economy. Each new agreement is a step toward a more open, resilient, and globally integrated India—one that aims not only to trade more but to trade better.

- Authored by: Sameer Pushp, General Manager (M&C)

ICE Cotton Hovers near 5-Month Low on US Government Shutdown

ICE cotton futures hovered near a five-month low as investors focused on the US government shutdown. However, US cotton had closed higher . The market was now awaiting the USDA weekly cotton export sales report which was due on October 2025. ICE's most active December 2025 contract settled at 65.77 cents per pound (0.453 kg), up 0.27 cent or 0.40 per cent, marking its weakest level since April 2025. The contract lost 77 points in September, 2025 its third consecutive monthly decline. It is now down 393 points year-to-date, with the seventh monthly loss in 2025. The March 2026 contract closed at 67.57 cents with a gain of 0.13 cent, and May at 68.86 cents with a gain of 0.09 cent, while other contracts rose between 9 and 27 points.

Trading volume was strong at 57,532 contracts, compared with 48,138 contracts cleared the previous day. ICE-certified deliverable stocks were unchanged at 15,474 bales as of September 29, 2025.USDA crop progress showed 47 per cent of US cotton rated good to excellent, steady with the previous week and well above 31 per cent a year ago. The US cotton harvest advanced to 16 per cent complete, compared with 12 per cent last week, 19 per cent last year, and a five-year average of 16 per cent. September market performance was mixed, but the most active contracts remained under selling pressure, with December, 2025 leading the weakness. Analysts noted that the market is on edge over a possible US government shutdown, which would halt USDA and economic data releases, including the non-farm payrolls report. "We don't know what the actual demand is," one analyst said, adding to trader uncertainty. The US' 15th shutdown since 1981 raises fears of suspended demand and trade data just as the harvest accelerates. Traders are awaiting the USDA weekly export sales report on Thursday for fresh demand cues, while global macroeconomic concerns continue to weigh on cotton prices.

Currently, ICE cotton for December 2025 is trading at 65.72 cents per pound (down 0.05 cent), cash cotton at 63.77 cents (up 0.27 cent), the October 2025 contract at 63.32 cents (up 0.27 cent), the March 2026 contract at 67.57 cents (unchanged), the May 2026 contract at 68.85 cents (down 0.01 cent) and the July 2026 contract at 69.86 cents (down 0.04 cent). A few contracts remained at their previous closing levels, with no trading recorded.

Italy's Consumer Confidence Rises In Sept, Business Sentiment Mixed

Italy's consumer confidence index rose to 96.8 in September 2025 from 96.2 in August, with improvements in the economic, current, and future components. The economic climate gained from 97 to 98.8, the current from 99.2 to 99.9, and the future from 92.2 to 92.6, while the personal climate remained stable at 96, Istituto Nazionale di Statistica (Istat) data showed. The overall business confidence climate, Istat Economic Sentiment Indicator (IESI) inched up slightly to 93.7 from 93.6. Within sectors, the manufacturing confidence index held at 87.3, firms reported better order book levels (balance -20.5 to -19.7) but weaker expectations for future production (0.4 to -0.4), while inventories were unchanged at 2.7.

Employment expectations softened (7.5 to 7). Market services sentiment edged up from 95.1 to 95.6, supported by optimism on future order books (balance 1.4 to 6). However, views on current business trends and order books worsened, with balances dropping from 2 to 0.3 and from 1.1 to -0.2, respectively, Istat said in a release. Retail trade confidence continued to decline, slipping to 101.6 from 102.7. Respondents downgraded their outlook on current business trends (balance 15.7 to 7.9) but reported better assessments of inventories (8.8 to 9.6) and future sales expectations (22 to 27.1).

Low Or High, Tariffs Push Nations Towards Further Negotiations

US President Mr. Donald Trump's reciprocal tariff policy has created massive ripple effects across global trade, compelling countries—those facing high levies as well as the ones paying comparatively lower tariffs—to seek further reductions. While it might seem logical for countries with the heaviest tariff burdens to be the most vocal in requesting tariff cuts, recent developments suggest that even nations with more favorable tariff conditions are also actively pursuing further relief. Lesotho, a small, landlocked nation in Southern Africa, is one such example. Despite facing a relatively low 15 per cent tariff on its exports to the US—a stark contrast to the 50 per cent Mr. Donald Trump had originally threatened—the country is not resting on its laurels. In fact, Lesotho reportedly sent a high-level delegation to the United States to press for a reduction in these tariffs.

The delegation, which reportedly included the Trade and Industry Minister, Labour and Employment Minister, as well as representatives from the Lesotho Textile Exporters Association and labour unions, sought to underscore the devastating impact these tariffs are having on one of the nation's most important sectors. The textile sector, Lesotho's largest private employer, employs approximately 12,000 people and indirectly supports an additional 40,000 jobs. This industry supplies major US retailers like Walmart Inc., JC Penney, and Levi Strauss & Co, and prior to the imposition of the new tariffs, most of Lesotho's textile exports entered the US duty-free under the African Growth and Opportunity Act (AGOA). The new 15 per cent tariff is seen as a severe blow to the country's economy, especially given that the US is Lesotho's second-largest trade partner.

Bangladesh is another country that is also actively seeking to minimize the impact of the tariffs. Initially, the US imposed a 37 per cent tariff on Bangladeshi goods in April 2025, which was later adjusted to 35 per cent in July, and has since been reduced to 20 per cent. Despite this reduction, Bangladesh's garment industry, a sector that plays a pivotal role in the country's economy, is putting in all efforts to see if tariffs could be lowered further. The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) has reportedly sought detailed clarification on a new US executive order, which allows for a reduction in the 20 per cent tariff if at least 20 per cent of the raw materials used in manufacturing are sourced from the United States. The BGMEA president has been vocal in highlighting the challenges posed by the cumulative tariff burden, which includes both the Most Favoured Nation (MFN) tariff on apparel exports and countervailing duties. The total tariff rate can reach up to 36.5 per cent, creating hurdles for exporters. Considering this, Bangladesh has reportedly proposed a "stacking method" for duty reductions, which they believe could help reduce the burden and improve the country's competitiveness in the US market.

Sri Lanka has been in ongoing discussions with the US Office of the United States Trade Representative (USTR) since April, when the US imposed reciprocal tariffs on its trading partners. A 20 per cent tariff on Sri Lankan goods entering the US market has placed the island nation in direct competition with several other Southeast Asian countries, including Bangladesh, Vietnam, Malaysia, Indonesia, Thailand, and Pakistan—each of which faces the same tariff rate. Sri Lanka has been proactive in engaging with the US, with a recent visit by a USTR delegation to the island. According to media reports, Sri Lanka's Minister of Labour emphasized the importance of the trade discussions in resolving tariff-related issues and expanding trade relations between the two countries. Vietnam has also reportedly emphasized commitment to continuing trade negotiations with the United States following the latter's imposing a 20 per cent tariff on Vietnamese goods, while transshipments from third countries through Vietnam are subject to a 40 per cent levy.

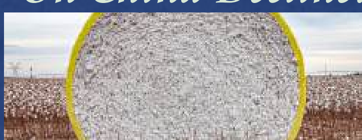
Vietnam has acknowledged that these tariffs, combined with ongoing strategic competition and geopolitical tensions, will create difficulties for its exports, while reportedly adding that the country remains focused on navigating these issues through diplomatic engagements. As nations actively engage in diplomatic efforts to reduce the financial strain caused by the tariffs one thing is clear that countries of all sizes, from small nations like Lesotho to larger economies like Bangladesh and Vietnam, are realizing that even relatively low tariffs can have a substantial impact on their industries and overall economic stability as tariffs continue to alter and reshape trade dynamics in real-time.

Turkish manufacturing biz conditions moderate further at Q3 2025

Business conditions further moderated at the end of the third quarter (Q3) of the year 2025 the Turkish manufacturing sector, according to manufacturing purchasing managers' index (PMI) data from the Istanbul Chamber of Industry. The headline manufacturing PMI posted 46.7 in September, down from 47.3 in August to signal a further easing in the health of the manufacturing sector. Firms again recorded slowdowns in new orders and output and were reluctant to commit to hiring or the fresh purchasing of inputs, S&P Global Ratings, which compiled the data, said in a release. Meanwhile, inflationary pressures strengthened, but remained muted relative to the respective series averages.

Anecdotal evidence from the survey continued to signal a challenging demand environment for firms. This led to further slowdowns in new orders and exports, in turn resulting in a solid scaling back of manufacturing production. Softer new order inflows meant that manufacturers were able to deplete outstanding business, which was reduced to the largest extent for almost a year. Firms were also left with excess finished products, which they added to inventories, resulting in the first increase in post-production stocks in three months. Given muted workloads, firms were reluctant to take on additional staff in September, 2025 and noted a preference for using existing stocks of inputs to support production over the purchasing of additional materials. As a result, employment, input buying and pre-production inventories all moderated solidly at the end of the third quarter. Currency weakness again contributed to a rise in input costs in September. The pace of inflation quickened to a three-month high and was sharp, albeit still weaker than the series average. This was also the case with regards to output prices, which increased at the fastest pace since April.

Global Cotton Stocks Hit 13-year Low On China Decline: ICAC



The world's cotton ending stocks for 2024–25 are expected to decline to the lowest level since 2011–12, driven by a steep fall in China's ending stocks. However, global cotton lint demand and supply metrics for 2025–26 will remain broadly comparable to last month's projections, the International Cotton Advisory Committee (ICAC) said in its latest October 2025 report. ICAC estimated world cotton production at 25.43 million tonnes and consumption at 25.4 million tonnes.

Global cotton ending stocks for the recently concluded year decreased 3.8 per cent to 15.37 million tonnes, largely due to China's ending stocks falling 9 per cent to 7.89 million tonnes. China's reliance on existing reserves has reduced import demand, causing its cotton imports to decline sharply by 65 per cent to 1.1 million tonnes. For 2025–26, China announced it will issue 200,000 tonnes of sliding tariff rate cotton import quotas to textile enterprises, the same as 2024.

Outside China, stocks rose 2 per cent in the 2024–25 season. The US reported a 9 per cent increase in ending stocks to 817,000 tonnes due to weaker-than-expected export demand, while Brazil and West Africa also recorded higher stocks, reflecting favorable production conditions and slower shipment flows as per the report.ICAC projected cotton prices to range between 63 cents and 97 cents per pound in 2025–26, with a midpoint of 77.6 cents.

China's manufacturing PMI rises to 51.2 in Sept with stronger demand

The ASEAN manufacturing sector posted its strongest improvement in over a year in September, 2025 as the S&P Global ASEAN Manufacturing Purchasing Managers' Index (PMI) rose to 51.6 from 51 in August, 2025 The reading marked the highest expansion since July 2024 and confirmed a modest but broad-based upturn in regional factory activity. Output and new orders expanded solidly, with demand recording its joint-fastest growth in nearly two-and-a-half years. Purchasing activity also increased at the strongest pace in 13 months. Firms reported renewed hiring for the first time in seven months, though overall job creation remained marginal. Backlogs of work accumulated at the quickest rate in a year, pointing to rising pressure on capacity, S&P Global said in a press release.

Inventories showed mixed trends, with pre-production holdings broadly unchanged, while post-production stocks fell as companies tapped into inventories to meet demand. Input costs rose further, though inflationary pressures stayed historically moderate. Business confidence improved to a six-month high, as manufacturers cited stronger demand conditions and optimism for output growth over the coming year. "The ASEAN goods-producing sector concluded the third quarter of the year on a strong note, underscored by solid expansions in new orders and output. Additionally, purchasing activity increased, and employment rose for the first time in seven months," said Maryam Baluch, economist at S&P Global Market Intelligence. "Furthermore, the fresh accumulation of backlogs, coupled with the ongoing reduction of post-production inventories, suggests that manufacturers should have opportunities to further expand their workforce."

"Although recent data indicates a slight increase in price pressures against a backdrop of easing monetary policy across much of the region and a strengthening demand climate, the rates remain historically muted. This suggests that these pressures are manageable and unlikely to adversely affect demand," added Baluch.

Kenya Assures Textile-Apparel Sector of Efforts to Extend US AGOA

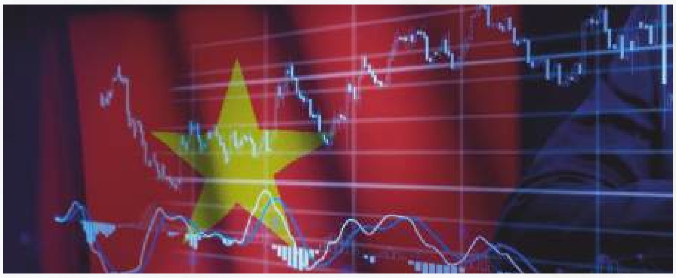
President William Ruto recently assured Kenya's apparel and textile sector stakeholders that his government is closely working with the United States to secure both the extension of the African Growth Opportunity Act (AGOA) and the establishment of a more permanent trade framework that would guarantee stable and predictable market access for Kenyan exports. He said this at a consultative meeting with players in the sector to discuss the future of the industry amid growing concerns. The AGOA expired on September 30, 2025. "I briefed stakeholders on my recent discussions with US Secretary of State Mr. Marco Rubio in Washington, where we explored not only the extension of AGOA but also the establishment of a long-term framework to guarantee stable and predictable market access for our products," the President posted on X.

"This will go a long way in strengthening our apparel industry, which remains vital to our economy and the livelihoods of thousands of families," he said. He assured players that industry operations will continue without disruption "as talks with the US Government proceed with the urgency they deserve. "With the expiry of the trade pact, industry leaders have expressed concern about possible loss of market share, job cuts, and reduced investment if a new arrangement is not put in place quickly.

ADB raises ViệtNam's 2025 Growth Forecast to 6.7 Per cent

The Asian Development Bank (ADB) has revised ViệtNam's economic growth forecast, raising it to 6.7 per cent in 2025 and 6 per cent in 2026, according to ADB's flagship annual economic publication released.

Inflation projections are slightly lower than the previous estimates published in April, 2025.A surge in exports ahead of the US tariff hikes and the Government's expansionary policies fuelled economic growth in the first half of 2025. However, growth is expected to slow for the rest of the year due to the impact of the reciprocal tariffs that took effect on August 7, 2025. While the domestic economy remains resilient, growth is expected to moderate from the strong performance in the first half of 2025. "Better coordination between fiscal execution and monetary policies will help avoid overburdening monetary tools and preserve macro-financial stability," said ADB Country Director for ViệtNam Mr. Shantanu Chakraborty.



UAE, Turkey Sign Dh18 Billion Currency Swap Agreement to Boost Trade

The Central Bank of the UAE (CBUAE) and Turkey's central bank (CBRT) have signed a bilateral currency swap agreement between the UAE dirham (AED) and the Turkish lira (TRY), along with two memorandums of understanding aimed at strengthening financial cooperation and promoting the use of both currencies in cross-border trade.The swap's nominal size is Dh18 billion and TRY 198 billion. The agreement is intended to provide local currency liquidity to both financial markets and support more efficient settlement of cross-border commercial and financial transactions. Under the first MoU, the two central banks will work to expand the use of AED and TRY in both current and capital account transactions, deepen foreign exchange markets, facilitate remittances, and coordinate more closely on cross-border trade and investment.

The second MoU covers cooperation on payments systems, including linking the UAE's instant payments platform (Aani) with Turkey's FAST system and integrating messaging, switches and regulatory oversight. It also encourages coordination on issuance and regulation of central bank digital currencies (CBDCs). The deal is part of a broader trend among Gulf countries to reduce dependence on hard currencies, manage foreign exchange risk and deepen regional economic ties. Analysts say the swap and related agreements may reduce transactional friction for businesses and traders operating between the UAE and Turkey, while giving both central banks tools to manage currency volatility more proactively.

China's land-sea trade corridor cargo surges 70% in 9M 2025

Cargo transport on the New International Land-Sea Trade Corridor soared by 70.3 per cent year-over-year (YoY) to 1.09 million twenty-foot equivalent units (TEUs) in the first three quarters or nine months (9M) of 2025, according to the China Railway Nanning Group co, ltd. The milestone of one million TEUs was reached in 247 days—the fastest pace since the intermodal rail-sea service began, Chinese media reports said quoting Zhao Jian, a member of the China Railway Nanning Group.

He added that based on the current pace, the total annual volume is expected to surpass 1.3 million TEUs. The corridor now facilitates exports from 75 cities across 18 provinces, linking 577 ports in 127 countries and regions. As of August 2025, it handled 1,316 product categories boosting high-quality development across western China, added the reports.

Vietnam's GDP Expands at 7.85% in Jan-Sep 2025

Vietnam's gross domestic product (GDP) expanded at 7.85 per cent in the first nine months of 2025. The GDP growth accelerated to 8.22 per cent in the third quarter (Q3).The economy expanded by 7.96 per cent in Q2 and by 6.93 per cent in Q1 2025, Minister of Finance Nguyen Van Thang told a cabinet meeting recently. Manufacturing output increased by around 10 per cent in Q3 2025 and by 9.92 per cent in the first nine months. The government aims at raising GDP growth to over 8 per cent in 2025, paving the way for double-digit growth in the next five years. The nine-month GDP expansion ranks as the second-strongest performance in the 2011-2025 period, only trailing behind the 9.44-per cent growth achieved during the same period in 2022, domestic media outlets reported.

Australia's Consumer Sentiment Hits Six-month Low Amid Inflation Fears

Australia's consumer sentiment fell to its lowest level in six months, with the Westpac–Melbourne Institute Consumer Sentiment Index declining 3.5 per cent to 92.1 in October from 95.4 in September, 2025. Confidence has dropped 6.5 per cent over the past two months. The October index read is now at firmly pessimistic levels, albeit still well above the very weak reads seen during the extended 'cost-of-living' crisis, according to Westpac. "Consumers appear to have been rattled by recent updates on inflation. 'Partial' measures released over the last month suggest annual inflation has lifted back towards the top of the RBA's 2–3 per cent target range," said Matthew Hassan, head of Australian macro-forecasting at Westpac in an article titled, 'Westpac-MI Consumer Sentiment Bulletin'. Although the Reserve Bank of Australia's (RBA) decision to hold rates steady in September provided some relief, sentiment remained firmly pessimistic.

The weakening was most pronounced in expectations for family finances, with the 'family finances, next 12 months' sub-index plunging nearly 10 per cent to 97.1—its lowest in over a year. Current assessments also fell 4.8 per cent to 82.1, suggesting that the boost from previous rate and tax cuts may be fading. Short-term economic outlook expectations slipped 2.5 per cent to 89.9, while longer-term views edged up 1.4 per cent to 94. Meanwhile, the 'time to buy a major household item' sub-index dipped 1.1 per cent to 97.2, reflecting continued caution in consumer spending ahead of the holiday season.

Despite weaker confidence, consumers remain largely unconcerned about job security. The Unemployment Expectations Index dropped 2.9 per cent to 127.6. That takes the index slightly below its long-run average but still broadly consistent with a stable labour market. "The Reserve Bank Monetary Policy Board (MPB) next meets on November 3–4. With inflation within the target range and monetary policy still a little on the restrictive side, the next rate move can reasonably be expected to be down. However, the MPB remains cautious, especially after the stronger than expected result for the August CPI indicator, and it will be sensitive to the flow of data from here. A cash rate cut in November is far from assured, though neither is it off the table," added Hassan. "And the longer the MPB delays further cuts, the more likely it is that it will end up cutting by more than it currently envisages."

Canada to be Treated Fairly in Talks over US Tariffs: Mr. Donald Trump

US President Donald Trump said he would treat Canada "fairly" as he hosted Prime Minister Mark Carney, but acknowledged that tariffs are likely to remain in place at some level. Trump said the North American neighbors have "always" had import duties on one another, and suggested that Ottawa has historically imposed "very high" tariffs on US agricultural products. Trump said the matter would be raised during closed-door talks, but said tariffs are "a mutual thing. "We're going to have tariffs between Canada, and you know they have them with us," Trump told reporters in the Oval Office. "We're going to treat people fairly. We're going to especially treat Canada fairly. But I can't believe it's taken so long where we get charged and don't charge them."

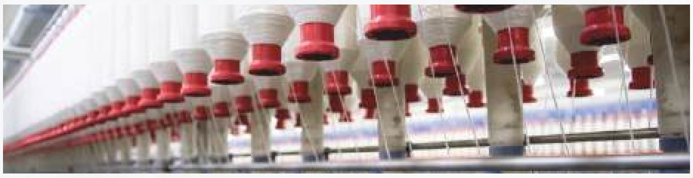
While several nations, including the UK, South Korea and Japan, have struck deals to reduce tariffs that Trump imposed shortly after coming to office, Canada is not among the group. It currently faces a tariff rate of 35% on most of its goods under an order signed by the US president. Asked about a lack of a deal with Canada after the US signed pacts with the UK and EU, Trump said those agreements were struck "because they're not located right next to each other. You know, it makes it, in many cases, it's much better and easier. "It's a complicated agreement, more complicated, maybe, than any other agreement we have on trade, because, you know, we have natural conflict. We also have mutual love. You know, we have great love for each other," he said.

Carney said Canada remains the US' second-largest trading partner, and is its largest source of foreign investment, including half a trillion dollars over the past five years."We do a lot of trade going across the border, where we're cooperating," he said. "There are areas, as the president just said, where ... we compete. There are areas where we compete, and it's in those areas where we have to come to an agreement that works. But there are more areas where we are stronger together, and that's what we're focused on, and we're going to get the right deal, right deal for America, right deal, obviously, from my perspective, for Canada."

Germany's Manufacturing Orders Drop 0.8% In August 2025

Germany's manufacturing sector experienced a 0.8 per cent month-over-month (MoM) decline in real (price-adjusted) new orders in August 2025, after seasonal and calendar adjustments, according to provisional data from the Federal Statistical Office (Destatis). When excluding large-scale orders, new orders dropped by 3.3 per cent compared with Jul,2025.For the June–August 2025 period, orders were 2.3 per cent lower than the previous three months, or 2 per cent lower when large-scale orders were excluded. Revised data showed that new orders in July dropped 2.7 per cent from June, slightly less than the earlier estimate of 2.9 per cent, Destatis said in a press release.

By goods category, capital goods orders dropped 1.5 per cent, and consumer goods plunged 10.3 per cent, while intermediate goods rose 3 per cent. Foreign demand weakened by 4.1 per cent, with euro area orders down 2.9 per cent and non-euro area orders falling 5 per cent. Domestic orders, however, rose by 4.7 per cent. Manufacturing turnover (seasonally and calendar adjusted) also slipped 0.8 per cent compared to July 2025, while calendar-adjusted turnover was 1.1 per cent lower than a year earlier. The July 2025 data were revised downward due to corrected reporting in the machinery and equipment segment



Bangladesh PMI 59.1 in Sep From 58.3 in Aug; Highest in Recent Months

Bangladesh's Purchasing Managers' Index (PMI) rose to 59.1 in September this year from 58.3 in August.2025. This was its highest level in recent months. The latest data signal a faster expansion and stronger economic momentum, driven largely by manufacturing, while agriculture and construction returned to growth after earlier slowdowns. The PMI for the country was jointly developed by the Metropolitan Chamber of Commerce and Industry (MCCI) and Policy Exchange Bangladesh.

The manufacturing sector posted its thirteenth consecutive month of expansion, and at a faster rate, an official release on the PMI said. The sector recorded expansion readings across several indicators, including new orders, export orders, factory output, input purchases, finished goods, imports, input prices and supplier deliveries. The agriculture sector posted gains in new business, business activity, input costs, and employment while construction showed growth in new business, construction activity and input costs.

Rivatex Restructuring Marks Fresh Chapter For Kenya's Textile Hub

Kenya's state-owned textile manufacturer Rivatex East Africa SEZ Limited has entered a new phase of transformation as the government leased its operations to an undisclosed strategic partner under a restructuring plan. The partnership aims to inject new capital, expertise, and innovation to restore the firm's competitiveness, marking a new chapter for one of Kenya's oldest textile mills, with hopes of revitalising the cotton and textile value chain and reinforcing the nation's manufacturing sector, as per Kenyan media reports. The official onboarding ceremony for the new partner was held at Rivatex's Eldoret premises. The event was presided over by Principal Secretary for Industry, Dr Juma Mukhwana, with Rivatex East Africa SEZ Acting CEO CPA Stanley Mr. Bett and Special Economic Zones Authority CEO Mr. Kenneth Chelule attended the event.

The restructuring followed a period of severe financial distress, with an audit by Auditor General Ms. Nancy Gathungu revealing that Rivatex had accumulated losses of Sh3.04 billion (~$23.54 million) and outstanding debts exceeding Sh140.92 million (~$1.09 million).On September 3, 2025, Rivatex issued a redundancy notice in line with Section 40 of the Employment Act 2007. According to the internal memorandum signed by Acting Managing Director CPA Mr. Stanley Bett, employees on fixed-term contracts that expired on August 30, 2025, would not be renewed, while those on permanent, pensionable, or long-term contracts would see their employment terminated effective September 3, 2025, following a three-month notice period ending November 30, 2025. The company has pledged to pay all terminal benefits, including full salaries up to the final working day and any other lawful dues, while adhering to all labour regulations and ministry guidelines for a transparent separation process.

Hohenstein & GoBlu Drive Sustainable Supply Chain Management

As regulatory demands, customer expectations, and sustainability goals continue to grow, the ability to manage chemical compliance and data across complex supply chains has become critical. Hohenstein and The BHive by GoBlu are initiating a strategic partnership to enhance chemical management in the textile sector. The collaboration delivers more than just a service – it provides an integrated, future-ready solution for brands, manufacturers and suppliers seeking trusted chemical management and credible sustainability. By combining Hohenstein's global certification expertise with the smart data infrastructure of The BHive by GoBlu, this partnership streamlines every step of the compliance journey. The BHive enables efficient, accurate collection and analysis of chemical data for ZDHC reporting – transforming fragmented documentation into actionable insights. Hohenstein ensures the reliability of these insights through expert testing, independent verification and internationally recognized certifications. This synergy provides measurable value", says Dr. Stefan Droste, CEO of Hohenstein. "It leads to improved supply chain transparency, reduced compliance risks, and faster certification outcomes.

" Data integrity is safeguarded through audit-backed verification processes, and insights are made easily accessible to all stakeholders – from brand sustainability teams to factory managers and chemical suppliers. In today's competitive landscape, aligning with initiatives like ZDHC's 'Roadmap to Zero' and delivering credible InCheck performance – e.g., via OEKO-TEX ECO PASSPORT certification – reports can clearly set companies apart. This is where the collaboration between Hohenstein and The BHive creates unique value. By integrating on-site audits and wastewater testing directly into the The BHive workflow, the solution ensures that uploaded data accurately reflects on-site practices – avoiding discrepancies that can compromise InCheck results. These verified insights not only support regulatory compliance but also strengthen the credibility of sustainability claims made to consumers, buyers and business partners. Additionally, it helps factories to improve their supplier to zero scores.

"This partnership unites the digital innovation of The BHive with Hohenstein's globally recognized technical and certification expertise", says Mr. Lars Doemer, Managing Director GoBlu International.

"Together, we are setting a new benchmark for chemical management, giving brands and factories a faster and smarter way to achieve their goals and build trust with customers and partners. At GoBlu, our mission has always been to make chemical management simple and impactful. Working with Hohenstein allows factories and brands to connect data and certification in one seamless process, reducing complexity and driving real impact for people and the planet."Beyond the certification itself, the collaboration empowers Hohenstein clients to connect multiple services into one coordinated, efficient process – offering the option to include OEKO-TEX certification where desired. This one-stop model simplifies operations, reduces administrative workload and supports more informed decision-making at every level of the supply chain. The collaboration between Hohenstein and The BHive represents a smarter, more secure path toward achieving verified compliance, building industry trust and supporting long-term sustainability goals.

National Conference on Handlooms & Handicrafts 2025 concludes at Bhubaneswar, Odisha

➢ *Deliberations emphasise design innovation, digital empowerment, and cooperative federalism to strengthen livelihoods and preserve heritage*

The National Conference on Handlooms & Handicrafts 2025 concluded in Bhubaneswar, Odisha, reaffirming the Government's commitment to reimagining India's handmade sector as a vital pillar of Viksit Bharat 2047. Organised by the Offices of the Development Commissioner (Handlooms) and Development Commissioner (Handicrafts), Ministry of Textiles, the two-day conference brought together senior officials from States and Union Territories, policymakers, and sector experts to chart a unified vision for the growth of India's handloom and handicraft industries.

Deliberations centred around two key objectives: assessing the current landscape of the handmade economy and shaping the framework of a forthcoming national scheme aimed at deeper State participation, integrated governance, and sustainable sectoral development.

Smt. Neelam Shami Rao, Secretary, Ministry of Textiles, chaired the second day of the conference in the presence of Smt. Anu Garg, Additional Chief Secretary & Development Commissioner (Odisha), and Smt. Poonam Guha Tapas Kumar, Commissioner-cum-Secretary (Handlooms, Textiles & Handicrafts), Government of Odisha.

In her address, Smt. Neelam Shami Rao, Secretary (Textiles), emphasised the need to balance the traditional craftsmanship with modern tools to enhance productivity and reduce drudgery. The Secretary urged institutions such as the National Institute of Fashion Technology (NIFT) and the

Indian Institute of Handloom Technology (IIHT) to take a proactive role in forecasting design and colour trends ahead of market cycles. Highlighting the importance of inter-State coordination, she called for seamless movement of raw materials across States to ensure efficient supply chains in the handicrafts sector. Concluding her address, she stated, "We must safeguard the very ecosystem we are nurturing. Whether we call it handloom or handicraft, it should not be seen as a peripheral part of our economy- it is, in fact, the premium product of the future."

Smt. Neelam Shami Rao, Secretary (Textiles), also said that such conferences will be organised every six months to ensure continuous dialogue between the Central and State Governments, facilitate cross-learning of best practices, and review the progress of initiatives undertaken in the handloom and handicraft sectors. She reiterated that sustained coordination and periodic review are essential for achieving the shared vision of a resilient, inclusive, and innovation-driven handmade economy aligned with the goals of Viksit Bharat 2047.

Smt. Anu Garg reiterated the cultural and ecological value of handlooms, citing Kotpad and Dongria Shawls as sustainable examples. She called for greater recognition of artisans (including name-tagging on products), youth-oriented training in market research and product design, and announced plans for a Sustainability Cell and promotion of eco-textiles such as Katha Silk.

Dr. M. Beena, Development Commissioner (Handlooms), presented the blueprint for the National Traditional Textile Mission (2026–31)- a mission-mode approach aligned with Viksit Bharat 2047, emphasising cooperative federalism, skill and design upgradation, women-led development, cluster infrastructure, universal financial support for artisans, and innovation hubs for GI-linked branding.

Next Generation EU Drives Sustainable Growth Across EU

As a cornerstone of Next Generation EU, the Recovery and Resilience Facility (RRF) has disbursed €367 billion (~$423.9?billion) across member states, contributing to key goals such as economic and social resilience, and the green and digital transitions, according to the fourth annual report by the European Commission (EC). The report highlights the facility's progress and calls for further action to maximize its benefits. According to the report, the RRF has boosted public investment—which is expected to rise to 3.8 per cent of GDP in 2025, up from 3.2 per cent in 2019—by supporting initiatives such as the decarbonirization and digitalization of industrial production and services. It has also helped deploy over 900,000 clean vehicle recharging stations and connect 16 million households to high-speed internet.

The facility has also supported a wide range of structural reforms, also aimed at boosting long-term growth and economic and social resilience. They include speeding up planning and permitting, digitalizing public services, addressing labour market vulnerabilities or enhancing quality of education across member states. The combination of reforms and investments has helped to maximize their impact and has led to improvements in public services and the business environment, as well as the quality of life for citizens in areas such as healthcare, education or infrastructure. In addition to its positive impact on production and employment in each member state, the RRF generates strong spillover effects across borders. When demand rises in one member state, it fuels demand for imports from other member states, supporting growth and employment throughout the EU. All member states benefit, and for some, the overall economic impact is more than double the size of their national RRF envelope thanks to these cross-border spillovers. This reflects the deep economic integration within the EU.

Protecting the financial interests of the Union remains central in the RRF implementation. The commission continued to constructively engage with the European Court of Auditors (ECA) over the last year, swiftly acting on its recommendations.

While conducting its own audits, the commission supported the ECA's scrutiny on all grant payments and several RRF-related performance audits. Drawing on its audit findings, the commission has strengthened audits and reinforced controls to ensure transparency and accountability. The pace of implementation differs among member states. With the RRF coming to an end in 2026 (a total financial envelope of €650 billion), the commission urges them to accelerate the implementation of their Recovery and Resilience Plans (RRPs). Member states must meet all milestones and targets by August 31, 2026, with the commission making the final payments by December 31, 2026. In its June Communication Next Generation EU – The Road to 2026, the commission provided guidance to support member states in planning ahead for the submission of the last payment requests in 2026, emphasizing the importance of streamlining and simplifying RRPs. By ensuring that the measures in the plans are clear and implementable, member states can deliver on the agreed objectives without compromising on the plans' ambition. In this context, the commission is currently reviewing a number of payment requests and revised RRPs submitted by several member states.

ADB commits $82.5 mn to drive Cambodia's energy transition

The Asian Development Bank (ADB) has approved the second phase of Cambodia's Energy Transition Sector Development Programme (ETSDP) for $82.5 million. Cofinanced by the ASEAN Infrastructure Fund, the Asia–Pacific Climate Finance Fund, the Green Climate Fund, and the United Kingdom through the ASEAN Catalytic Green Finance Facility, the programme aims to provide comprehensive support for the country's clean energy transition by combining policy reforms with investment projects in new technologies. The first subprograms, approved in 2022, introduced pivotal policy measures that guided the energy sector toward a more efficient and renewable development pathway. Building on this foundation, subprogramme 2 advances regulatory reforms to strengthen the energy efficiency framework and enhance policy clarity to attract private sector investment. A key milestone under the subprogramme is the introduction of the country's first set of regulations establishing Minimum Energy Performance Standards for electrical appliances, starting with air conditioners, which account for the largest share of energy consumption in the residential sector, ADB said on its website.

Subprogramme 2 will also establish an Energy Efficiency Revolving Fund aimed at facilitating access to finance for local small and medium-sized enterprises (SMEs) to invest in energy-efficient technologies. The revolving fund will be set up through a financial intermediation structure to enable local banks to extend loans to SMEs for energy efficiency investments. By mobilizing domestic financial institutions and supporting SMEs, the revolving fund is expected to accelerate the nationwide scale-up of energy efficiency investments. "ADB is honored to support Cambodia in its ambitious and transformative journey in the energy sector. Through a comprehensive reform package, combining policy support with strategic investments, the Energy Transition Sector Development Programme will support turning the government's ambitious vision into reality," said ADB Acting Country Director for Cambodia Mr. Anthony Gill. "This includes the goal of achieving 70 per cent renewable energy in the power mix by 2030, along with a strong commitment to advancing energy efficiency, which is essential to ensure that Cambodia's growth remains both sustainable and affordable."

Turkiye Leads Green Energy Investment; Renewables Share Over 60%: Prez

Outlining Turkiye's efforts to diversify its energy mix and expand renewables, President Mr. Recep Tayyip Erdogan recently cautioned about significant risks of relying on a single country or source for energy requirements. He was addressing the 11th Energy Efficiency Forum and Fair in Istanbul. Mr. Erdogan stressed that diversification remains key to the security of supply. "Being dependent on a single country, source, or route for energy procurement carries significant risks," he said. Turkiye imports over 90 per cent of its energy needs. "Our goal is to expand the economy to $1.9 trillion and lift per capita income to $21,000 by 2028," Mr. Erdogan said, mentioning about targets of the government's new medium-term programme. The country's population is expected to exceed 88 million by 2030 and reach 94 million by 2050, according to the president, up from nearly 86 million as of the first half of this year.

"We all know very well what this means in terms of energy demand and consumption," the President was quoted, as said by domestic media outlets. He said the country has turned one of the leading economies investing in green energy in recent years and the share of renewable energy in its total installed capacity has surpassed 60 per cent in 2025. Natural gas consumption has also grown rapidly, he said. While in 2002, only five cities in the country had gas infrastructure, all 81 provinces now have such access, Mr. Erdogan said. "The share of our population with access to natural gas has risen from 33 per cent to 85 per cent," he noted. Turkiye's transition to clean energy remains a government priority, and the Climate Law adopted in July was an important move toward the 2053 net-zero emissions target, he added.

UNEP Urged To Halt Guidelines To Distinguish Used Textiles From Waste

The UK Textile Recycling Association (TRA) along with 15 other organisations and key individuals from across the globe recently wrote an open letter to the United Nations Environment Programme (UNEP) to immediately suspend the advancement of the global guidelines to distinguish used textiles from textile waste drafted by the UN body's Circularity and Used Textile Trade Project. Their concerns include data integrity, insufficient stakeholder inclusion, lack of methodological transparency and risk of conflict of interest.

The signatories expressed their serious concerns about the project due to its significant global implications as they do not believe the process has been conducted with full rigour and impartiality, leading to the possible proposal of unworkable global guidelines that risk seriously affecting the livelihoods of millions involved in the collection, sorting, import-export and sale of second-hand clothing, while also undermining genuine circularity and access to affordable clothing. They called on the UNEP to ensure full transparency by publishing the research methodologies, data sources and definitions used in all four countries, enabling independent scrutiny and peer review. They also demanded engaging independent, regionally-grounded experts and practitioners to support the development of genuinely inclusive, evidence-based global guidelines that reflect the complex realities of the second-hand textiles trade Textile waste figures cited in the project are inconsistent with previous studies and established industry observations. Key data has been presented without disclosure of collection methods, analytical processes, or validation, limiting stakeholders' ability to engage meaningfully.

Although stakeholders had been consulted through workshops and a survey, action report had not included in meaningful participation. While global dialogues are complex, consultations have been marked by rushed timelines, limited access to draft materials and the dominance of certain voices, thereby hindering the collection of comprehensive, impartial input, the letter noted. Foundational definitions of 'waste' appear to have been applied without disclosure or review, even as global criteria are being proposed, it said. In Ghana, research and stakeholder dialogues were led by a non-governmental organization with a pre-existing waste advocacy campaign and financially supported by the ultra-fast fashion industry. Signatories include the Ghana Used Clothing Dealers Association, the Mitumba Consortium Association of Kenya, the Togo Used Clothing Dealers Association, Landfills2Landmarks, Secondary Materials and Recycled Textiles (SMART-USA), the Bureau of International Recycling, Recycling Europe (formerly EuRIC) and the Nordic Textile Network.

ASEAN, UK launch Clean & Just Energy Transition Pillar of GTF

The UK Mission to the Association of Southeast Asian Nations (ASEAN) recently launched the Clean and Just Energy Transition Pillar of the ASEAN-UK Green Transition Fund (GTF) at a side event during the 25th ASEAN Energy Business Forum (AEBF) in Kuala Lumpur.ASEAN is now the world's fourth-largest energy consumer, with energy demand projected to rise by up to 41 per cent by 2030, based on the 8th ASEAN Energy Outlook. The region is expected to require at least $200 billion in annual energy investments to meet its growing energy needs, driven by a 15.2 per cent annual rise in energy consumption in 2022, surpassing pre-pandemic levels. This growth is attributed to rapid urbanization and a rising population, underscoring the urgent need for a sustainable energy transition to mitigate climate risks and emissions. As ASEAN advances its energy transition, driven by national ambitions and the imperative to reduce carbon emissions while safeguarding energy security and affordability, the Clean and Just Energy Transition Pillar of the GTF offers targeted support to ASEAN member states and Timor-Leste, an official UK government release said.

The pillar focuses on three key work streams: clean power systems, green grids and industrial decarburization, with a strong emphasis on inclusivity and regional collaboration. "Through the ASEAN-UK Green Transition Fund, we are bringing investment and expertise to support a clean and just energy transition across the region—from green grids and clean manufacturing to public-private partnerships. Together, we can harness the potential of clean energy and drive inclusive, climate-resilient growth across ASEAN region," UK ambassador to ASEAN Helen Fazey said.

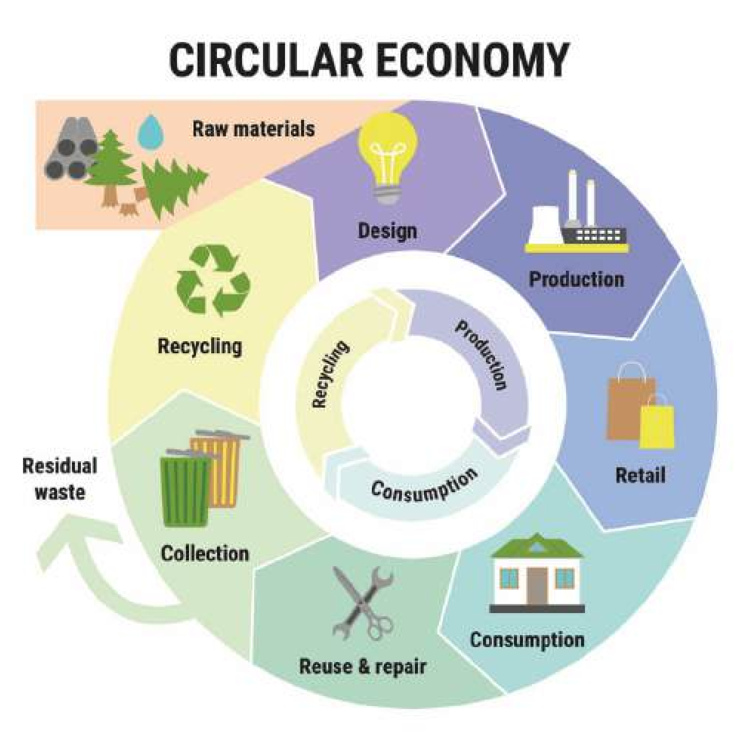
The event showcased UK business and commercial expertise in energy interconnection and finance, discussing the opportunities for energy. The panel explored innovative business models for coal transition, the benefits of the ASEAN Power Grid (APG) and opportunities for industrial decarburization. It also highlighted the role of public-private partnerships as key to mobilizing investment for clean energy infrastructure.

Lenzing reaffirms global sustainability leadership in 2025

Lenzing AG has once again taken first place in this year's Hot Button Report published by the Canadian non-profit organization Canopy. With 34.5 out of 40 points and no known risk of sourcing from ancient and endangered forests, Lenzing remains one of the most sustainable companies in regenerated cellulose fibre production – setting a benchmark for responsible business practices in the textile and nonwovens industries."This award is more than just a result – it is proof of our role as an industry benchmark. Sustainability must be viewed holistically and with foresight, and everything new that we create today is a point of reference for the future," says Mr. Rohit Aggarwal, CEO of Lenzing AG.

Lenzing's active projects to protect biodiversity in Austria, Albania, Burundi, Brazil, China, DR Congo, and Tanzania were particularly recognized. Progress in chemical management – above all the fulfilment of advanced standards in two of three viscose plants – also underscores Lenzing's holistic approach to sustainability. The Hot Button Report 2025 is further proof that Lenzing AG is well above the industry average. As part of the ranking, Canopy Assesses the 34 largest producers of cellulose fibres worldwide in terms of their sustainable wood and pulp sourcing, their efforts to use alternative raw materials, and their achievements in protecting ancient and endangered forests.

EU enforces new Waste Framework Directive to boost circular economy



The European Union's (EU) targeted revision of the Waste Framework Directive officially entered into force yesterday, introducing common rules for Extended Producer Responsibility (EPR) in textiles and binding food waste reduction targets for all Member States, according to the European Commission. The new directive aims to cut waste, reduce environmental damage, and strengthen the EU's economic resilience by driving sustainable innovation and decreasing reliance on raw materials. It aligns with the EU's Competitiveness Compass and Strategic Agenda for 2024–29, European Commission said in a press release. The EU's textile and clothing industry remains an economic powerhouse, generating €170 billion (~$198.9 billion) in 2023 and employing 1.3 million people across nearly 197,000 companies. Yet, it is also one of the most resource-intensive sectors, ranking third in water and land use impact and fifth in raw material use and greenhouse gas emissions. In 2019 alone, the EU generated 12.6 million tonnes of textile waste, with only one-fifth separately collected for reuse or recycling.

To address these challenges, the revised directive introduces two major sets of measures to promote circularity and competitiveness:

- Under mandatory EPR schemes, each Member State must establish a system requiring producers of textiles and footwear to pay fees for every product placed on the market. These funds will finance collection, reuse, recycling, and disposal operations. The fees will also support consumer awareness campaigns and R&D in sustainable design and waste prevention. EPR fees will vary according to sustainability criteria under the Eco-design for Sustainable Products Regulation (ESPR)—a principle known as eco-modulation. Producers will pay less for durable, recyclable, and eco-friendly products, incentivizing circular design.

- The directive also sets new rules for managing used textiles, ensuring that all separately collected textiles are classified as waste to prevent false reuse labelling and illegal exports. Unsorted textile waste will fall under the Waste Shipment Regulation.

Member States have 20 months to transpose the directive into national law and 30 months to set up their textile and footwear EPR schemes. Competent authorities must be designated by January 17, 2026, and updated food waste prevention plans finalised by October 17, 2027.

EU Commission proposes targeted measures to ensure EUDR implementation

The European Commission recently proposed targeted solutions to support companies, global stakeholders, third countries and member states to ensure a smooth implementation of the EU Deforestation Regulation (EUDR).The Commission wants to make sure that the information technology (IT) system is fully operational to address the EU's contribution to the global challenge of deforestation. At the same time, the proposal will simplify reporting obligations while maintaining a robust tracking mechanism. His proposal introduces targeted simplifications to reduce obligations for operators and traders that commercialize the relevant EUDR products once they have been placed on the European Union (EU) market, and micro and small primary operators from low-risk countries worldwide who sell their goods directly on the European market.

The operators and traders can be retailers or large EU manufacturing companies. These companies are in the downstream part of the relevant value chains. The upstream operator will continue to exercise due diligence. The micro and small primary operators cover close to 100 per cent of farmers and foresters in the EU, a release from the Commission said. To allow for a more efficient use of the IT system, the Commission proposed that downstream operators and traders should no longer be obliged to submit due diligence statements. With this streamlining, only one submission in the EUDR IT system at the entry point in the market will be required for the entire supply chain.

The reporting obligations and the responsibility would be focused on the operators placing first the products on the market. Micro and small primary operators would only submit a simple, one-off declaration in the EUDR IT system. When the information is already available, for instance in a Member State database, the operators do not have to take any action in the IT System themselves. This simplification replaces the previous need for regular submissions of due diligence statements. The Commission is also proposing transitional periods to guarantee a smooth transition and strengthen the IT system. The European Parliament and the Council will now discuss the Commission's proposal. They would need to formally adopt the targeted amendment of the EUDR before it can come into effect.

EU Parliament rejects sustainability reporting, due diligence mandate

The European Parliament rejected the mandate adopted by its legal affairs committee on simplified rules for sustainability reporting and due diligence obligations for companies operating within the European Union (EU) by 309 votes in favour, 318 against and with 34 abstentions. It was to decide its position on simpler sustainability requirements ahead of talks with EU governments at the next plenary session in Brussels on November 13, 2025.

The EU governments already adopted their position on June 23. The aim is to finalise the legislation by the end of the year. Following the delayed application of the sustainability reporting and due diligence obligations, the current proposal seeks to simplify them and ease the administrative burden on companies, an official release said. This is part of the Omnibus I simplification package proposed by the European Commission on February 26, 2025.

Germany

➢ Economic Overview:

Leading export-driven, core EU and eurozone economy; key automotive, chemical, engineering, finance, and green energy industries; tight labor market with falling working-age population; fiscal rebalancing with phaseout of energy price supports.

➢ Economic Indicators:

Indicators	*Value (in USD)*
Real GDP (Purchasing Power Parity), 2024 est.	5.247 trillion
Real GDP (Growth Rate), 2024 est.	-0.2 %
Real GDP (Per Capita), 2024 est.	62,800
GDP (Official Exchange Rate), 2024 est.	4.66 trillion
Inflation Rate, 2024 est.	2.3 %
Source: The World Factbook – CIA 2025	

➢ Industries:

Iron, steel, coal, cement, chemicals, machinery, vehicles, machine tools, electronics, automobiles, food and beverages, shipbuilding, textiles.

➢ Climate:

Temperate and marine; cool, cloudy, wet winters and summers; occasional warm mountain (foehn) wind

➢ Average Tariff for India:

9.6 %

➢ Exchange Rate :

Indicators	*Value (in USD)*
Indian Rupees (INR) per Euro (EUR)	102.96
Euro (EUR) per US Dollar (USD)	0.85
Source: X-Rates 2025 (October 2025)	

➢ Germany's RMG Trade:

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

	2022	2023	2024	% Change 2024 over 2023	2024 (Jan-Aug)	2025 (Jan-Aug)	% Change 2025 over 2024
Germany's RMG imports from World	46843.5	40981.0	42458.8	3.6	27448.8	30777.7	12.1
Germany's RMG imports from India	1814.7	1547.8	1610.5	4.0	1172.2	1381.7	17.9
India's Share in Germany's total RMG imports from World, %	3.9	3.8	3.8		4.3	4.5	

Source: UN Comtrade 2025

The above table shows that Germany's RMG import from the World were to the tune of USD 42458.8 mn in 2024 showing a growth of 3.6 % as compared to 2023. RMG import from India has also increased to USD 1610.5 mn, registering a growth of 4.0 % as compared to 2023. India's percentage share in Germany's RMG import from the World has remain same at 3.8 % in 2024.

Germany's RMG import from World between Jan-Aug 2025 were to the tune of USD 30777.7 Mn., showing an increase of 12.1 % as compared to Jan-Aug 2024 and import from India during the same period showed a growth of 17.9 % with the share of 4.5% in 2025.

➢ Top RMG Supplier to Germany:

Top RMG Supplier to Germany and India's Position

Position	Countries	Imported value in 2024 (in USD mn	% Share
	World	**42458.8**	**100**
1	China	9722.8	22.9
2	Bangladesh	8493.1	20.0
3	Turkey	4576.5	10.8
4	Vietnam	2123.1	5.0
5	Cambodia	1792.4	4.2
6	Italy	1632.3	3.8
7	**India**	**1610.5**	**3.8**

Source: UN Comtrade 2025

The above table shows that China has remain the top supplier of RMG to Germany with 22.9 % share in 2024. India is the 7th largest supplier of RMG to Germany with 3.8 % share. Bangladesh and Turkey has a share of 20.0 % and 10.8 % respectively.

➢ Germany's top 10 RMG Products Import from World vs India's share:

Top 10 RMG products imported by Germany 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	**42458.8**	**1610.5**	**3.8**
		Sum of Top 10	**18172.6**	**534.6**	**2.9**
1	610910	T-shirts, singlets and other vests of cotton, knitted or crocheted	3013.9	234.1	7.8
2	620342	Men's or boys' trousers, bib and brace overalls, breeches and shorts, of cotton (excl. knitted ...	2842.0	51.0	1.8
3	611020	Jerseys, pullovers, cardigans, waistcoats and similar articles, of cotton, knitted or crocheted ...	2444.2	101.0	4.1
4	611030	Jerseys, pullovers, cardigans, waistcoats and similar articles, of man-made fibres, knitted ...	2297.8	15.2	0.7
5	620240	Women's or girls' overcoats, car-coats, capes, cloaks, anoraks, incl. ski jackets, wind-cheaters, ...	1696.6	3.2	0.2
6	620462	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton (excl. knitted ...	1628.6	33.5	2.1
7	610990	T-shirts, singlets and other vests of textile materials, knitted or crocheted (excl. cotton)	1397.4	22.0	1.6
8	620140	Men's or boys' overcoats, car-coats, capes, cloaks, anoraks, incl. ski jackets, wind-cheaters, ...	987.6	2.0	0.2
9	610462	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton, knitted ...	936.9	58.4	6.2
10	610463	Women's or girls' trousers, bib and brace overalls, breeches and shorts of synthetic fibres, ...	927.6	14.3	1.5

Source: UN Comtrade 2025

The above table shows Germany'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 18172.6 mn. in 2024 and import from India of these top 10 products were to the tune of USD 534.6 mn. India has 2.9 % share in Germany's top 10 products import from the World.

The top products imported by Germany 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)** Jerseys, pullovers, cardigans, waistcoats and similar articles of cotton, knitted or crocheted.

➢ Germany's top 10 RMG products import from India:

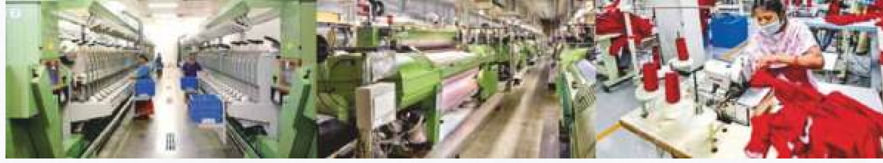
Top 10 RMG Products India's Export to Germany (in USD mn)

S. No.	HS Code	Product label	Export from India, 2024	% Share in 2024
		Total RMG	**1610.5**	**100.0**
		Sum of Top 10	**919.6**	**57.1**
1	610910	T-shirts, singlets and other vests of cotton, knitted or crocheted	234.1	14.5
2	611020	Jerseys, pullovers, cardigans, waistcoats and similar articles, of cotton, knitted or crocheted ...	101.0	6.3
3	620630	Women's or girls' blouses, shirts and shirt-blouses of cotton (excl. knitted or crocheted and ...	93.0	5.8
4	620640	Women's or girls' blouses, shirts and shirt-blouses of man-made fibres (excl. knitted or crocheted ...	86.9	5.4
5	620520	Men's or boys' shirts of cotton (excl. knitted or crocheted, nightshirts, singlets and other ...	86.6	5.4
6	620442	Women's or girls' dresses of cotton (excl. knitted or crocheted and petticoats)	75.1	4.7
7	611120	Babies' garments and clothing accessories of cotton, knitted or crocheted (excl. hats)	66.5	4.1
8	620443	Women's or girls' dresses of synthetic fibres (excl. knitted or crocheted and petticoats)	60.2	3.7
9	610462	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton, knitted ...	58.4	3.6
10	620444	Women's or girls' dresses of artificial fibres (excl. knitted or crocheted and petticoats)	57.8	3.6

Source: UN Comtrade 2025

The above table shows Germany's top 10 RMG products imported from India. Germany's top 10 products imported from India were to the tune of USD 919.6 mn with 57.1 % share in Germany's total RMG import from India.

The top products imported by Germany 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' blouses, shirts and shirt-blouses of cotton.



How India's Fashion, Textile Sector Is Growing Despite US Tariffs

Following a roundtable on advancing apparel and textile trade between the UK and India, Smt. Neelam Shami Rao Secretary Textile told media house that, there had been a lot of good work going on in performance wear all across the world. In India, she said start-ups and researchers are also getting involved, so she predicted that "very soon we would have good productions" and "we're very keen to grow". Aside from performance wear she highlighted that "India is the second largest producer of man-made fibre" and the "largest producer of man-made cellulose fibre".

India's plan to grow in athleisure and technical textiles

She pointed out garments made from manmade fibres are well received in Europe, the US, and the UK, but she added: "We understand that textiles have a usage beyond clothing as there is also a useful industrial application. She explained: "With our technical manpower and our technical engineering students undertaking many subjects, we see India as a very strong contender on man-made fibre and technical textiles." Smt. Neelam Shami Rao Secretary Textile also noted that as the world's populations grow, health and hygiene requirements will also increase, which include a larger demand for health products from tissues to disposable towels and sanitary napkins. She described it as "a very exciting area" and India is looking at it closely. The discussion with Just Style took place against the backdrop of a discussion on the India-UK Free Trade Agreement (FTA) with lots of representatives from across India's apparel and textile value chain. Given this, Smt. Neelam Shami Rao Secretary Textile had been keen to share India's aim to explore new relationships and forge new partnerships. She also saw the agreement as a way to better understand current consumer tastes and "how far we can go on the sidelines of the forthcoming FTA",

Significance of UK and India FTA

For Smt. Neelam Shami Rao Secretary Textile, the significance of this FTA is that it puts India at parity with many other countries and offers cost advantages. "We were doing very well, and we can now do even better, and it also opens up a whole set of new possibilities, because it elevates trust between the two countries, and across the industry." When quizzed on when the benefits in terms of export values and volumes will become apparent, she asserted: "We see this as a starting point. The Indian cabinet has ratified it, and we are looking forward to its formalisation." She noted there is a time lag between the production of goods and when the benefits will take effect, but she hopes more relationships and partnerships can be forged to give it good traction. She said, "we want our sources to know that apart from being cost competitive, we are strong on sustainability, traceability, and on our designs with 4,000-plus designers graduating every year from India's National Institute of Fashion Technology, We've also had partnerships with academic institutes in the UK and we want to leverage all of that." She also saw benefits for the UK's manufacturing sector as well as India's: "it's mutual," she says as investments can happen on both sides with technologies transferred between the countries' industries. Smt. Neelam Shami Rao Secretary Textile observed there is a lot of excitement in the room from small UK businesses with conversations taking place across networks, and she looks forward to seeing how the UK will leverage the strength of India's workmanship and craftmanship.

Impact of uncertain US-India trade relationship

The elephant in the room is the fact India is navigating steep 50% tariffs from the US, however, Smt. Neelam Shami Rao Secretary Textile noted India believes in the "power of dialogue" and she said there is an ongoing dialogue between the two countries' governments at the moment.

This is supported by reports claiming India officials held "constructive" talks with US counterparts during a visit to Washington with both sides agreeing to continue discussions and conclude a mutually beneficial trade deal soon. In the meantime, India is focused on building its relationships with key trading partners, including the UK with this new FTA as well as with other countries in the EU and Switzerland. She concluded: "We want to leverage all of that in the European continent and we see this as being a trigger for lots of good things."

India Engaging In FTA Negotiations With Multiple Countries & Blocs: Shri Piyush Goyal

India is actively pursuing free trade agreements (FTAs) with several countries and regional blocs, including the United States, European Union, New Zealand, Oman, Peru, and Chile, Commerce and Industry Minister Shri Piyush Goyal said.

He added that Qatar and Bahrain have also expressed interest in negotiating trade pacts with India. Speaking at the UP International Trade Show in Greater Noida, Shri Goyal highlighted ongoing talks with the US, noting that both countries are seeking an early conclusion of a bilateral trade agreement. He led an official delegation to New York for discussions, where he met US Trade Representative Jamieson Greer and Ambassador-designate to India Sergio Gor.

The latest round of deliberations came against the backdrop of recent US trade measures, including a 25 percent reciprocal tariff and an additional 25 percent penalty on Indian goods linked to India's purchases of Russian crude oil. These duties had raised India's effective import levy in the US market to 50 percent. Despite this, both sides reaffirmed their intent to continue negotiations, with the first tranche of the pact initially targeted for conclusion by late 2025. Five rounds of negotiations have been completed so far, with the proposed Bilateral Trade Agreement (BTA) aimed at more than doubling trade volumes to USD 500 billion by 2030 from the current USD 191 billion.

Shri Goyal had also pointed to progress with other trade partners. In August, India signed Terms of Reference with the Eurasian Economic Union (EAEU)—comprising Armenia, Belarus, Kazakhstan, Kyrgyz Republic, and Russia—to launch negotiations on an FTA. Separately, the Trade and Economic Partnership Agreement (TEPA) with the European Free Trade Association (EFTA), signed in March 2024, came into effect from October 1. Under this pact, India was set to receive an investment commitment of USD 100 billion over 15 years, while offering duty concessions on items such as Swiss watches, chocolates, and polished diamonds. "These agreements reflected the growing interest of the developed world in engaging with India," Goyal said, urging consumers to prefer Made-in-India products to support domestic manufacturing.

Minister Thummala Urges Centre To Procure Cotton Through CCI

Agriculture Minister Shri Thummala Nageswara Rao urged Union Textile Minister Shri Giriraj Singh to initiate measures to procure cotton in Telangana through Cotton Corporation of India (CCI) from October 1. The state minister wrote a letter to the Union minister in this regard. He explained that in the ongoing season, cotton was cultivated in around 43.29 lakh acres and 24.7 lakh metric tonnes of cotton is estimated to be produced in the state. "Though the CCI has invited tenders, ginning mills have not participated. With this, the procurement has been stopped. Now, the market rate of cotton in the state is at Rs 6,700 per quintal, while the minimum support price (MSP) is Rs 8,110 per quintal. In this situation, the farmers may do a distress sale," he said in his letter. Meanwhile, Shri Nageswara Rao instructed the Marketing department officials to form local monitoring committees to ensure smooth procurement process at all centres.

India pleased with The UK FTA; keen to have trade pact with The US: Jaishankar

External Affairs Minister Shri S Jaishankar spoke of learning lessons from India's initial free trade agreements (FTAs) with ASEAN nations, terming them as economies that competed with India and provide a pathway for Chinese goods to enter the Indian market. He said India should focus on signing. FTAs with countries having predictable economies, and which are non-competing. In this context, the minister said New Delhi is pleased with the FTA it has inked with the United Kingdom (UK). He said India is keen to have FTAs with the European Union (EU) and United States (US), which have deep, sustainable, and predictable market economies, but its "red lines" should be respected. In recent years, New Delhi had revisited and reviewed its trade agreements with East Asian countries, apart from having walked out of negotiations for the Regional Comprehensive Economic Partnership (RCEP) in 2019.

Addressing a session at the Kautilya Economic Conclave here, Shri Jaishankar bemoaned that the "global needle" has moved much more towards competition than cooperation with major powers tending to "weaponise almost everything." There is much less reticence among major powers to use a tool if it's at their disposal in their toolkit, he said.

The minister also maintained that the Quad grouping was "alive and well", and the engagement between its bureaucrats has continued. On the India-US trade agreement, he said, "Whatever happens at the end of the day, there has to be a trade understanding with the US." This is not just because it is the world's largest market, but also since much of the world had reached those understandings with the US. But there has to be an understanding where India's red lines are respected, Shri Jaishankar said.

"In any agreement, there are issues that you can negotiate and there are issues that you can't. We are pretty clear about that. We have to find that landing ground and that is the conversation that has been going on (with the US) since March," the Minister said.

The External Affairs Minister spoke of the need for India to diversify its trade, but pointed out that most of New Delhi's initial FTAs were with the ASEAN grouping or its individual member states. But these are economies which compete with India, and the nature of their supply chains is such that they also provide a pathway to Chinese goods, he pointed out. "So, I would very honestly say our focus should be on FTAs with economies that are not competitive, where there is really deep sustainable predictable and real market economy which is why we are pleased with the (FTA) with UK, which is why we are serious about the EU FTA, which is why we are striving for an understanding with the US," he said.

The Minister spoke of the contradictions in the current world system emerging from a third of the world's manufacturing shifting to one country, the US becoming not just self-sufficient in energy but an exporter and champion of fossil fuels, which has come to guide its foreign policy, while China leads in renewals. He underlined the role of big technology companies and their influence, but mostly spoke of India's concerns with the narrowness and fragility of supply chains and dependence on single markets. In terms of competition for resources, the one for rare earth and critical minerals has become a major factor among nations, Shri Jaishankar said. He added that technology controls, which many thought were a thing of the past because of globalisation, have returned. He also spoke of social reactions to the mobility of workers.

MoS textiles & MEA in Moscow as India eyes Russian textile market

Minister of Textiles and External Affairs Shri Pabrita Margherita traveled to Moscow beginning with India eyeing the Russian market for Indian textile exporters impacted by the tariffs imposed by the USA. After shrimps, Russia could emerge as the market for Indian textile exporters hit by US tariffs as demand for Indian textiles is growing in the Russian market. India is eyeing markets of 40 countries, including Russia, for pushing its textile exports, following the increased tariff imposition by the US. The duties have hit India's apparel shipments hard as the US is India's biggest market. During the visit, Shri Margherita held a bilateral meeting with the Ministry of Industry & Trade of the Russian Federation, as well as with the Russian Union of Entrepreneurs of the Textile and Apparel Industry, an official said.

These engagements provided an opportunity to strengthen bilateral cooperation in trade, industry, and textile sectors, and explore avenues for enhancing collaboration between Indian and Russian businesses, according to the official. Shri Margherita also inaugurated the "Best of India – Indian Apparel and Textile Fair" in Moscow, held from 1st to 3rd October. The exclusive exhibition and buyer-seller meet served as a strategic gateway for Indian exporters to expand their presence in Russia and CIS markets. Over 100 Indian companies participated, showcased products ranging from handloom and handicrafts to home furnishings, carpets, linens, apples, and garments. The fair attracted around 1,000 domestic and international buyers, providing Indian businesses a direct engagement platform with leading importers, wholesalers, and retailers from Russia.

The fair was presented by the Handloom Export Promotion Council (HEPC), an official said. The visit underscored India's commitment to strengthening trade and cultural ties with Russia, and highlighted the growing role of Indian textiles and apparel in global markets. These engagements bolstered bilateral trade, encourage market diversification, and enhance people-to-people linkages between the two countries, according to an official.

Govt extends RoDTEP export incentive scheme till March 31, 2026, exporters welcome the move

The Government had extended the Remission of Duties and Taxes on Exported Products (RoDTEP) incentive scheme for exporters until March 31, 2026. Exporters had welcomed the move, and had said that it removed substantial uncertainty and also came at a time when Indian exports were facing significant headwinds.

Started in 2021, the RoDTEP scheme had refunds to exporters for any embedded duties, taxes, and levies incurred by them that are not already refunded under other schemes. The scheme had earlier been available until February 5 this year (2025). In May, following significant lobbying by exporters, the government restored the RoDTEP scheme for exporters done by Advance Authorization (AA) holders, Export-Oriented Units (EOUs), and units in Special Economic Zones (SEZs).

"The RoDTEP Scheme shall remain in force and be applicable to exports made from Domestic Tariff Area (DTA) units, Advance Authorisation (AA) holders, Special Economic Zone (SEZ) units, and Export Oriented Units (EOUs) up to 31.03.2026," the Directorate General of Foreign Trade said in its notification (September 30, 2025). However, the DGFT also added that the scheme would operate within the current budgetary allocations. "The timely extension of RoDTEP had removed the uncertainty that was weighing on the exporting community," S.C. Ralhan, President of the Federation of Indian Export Organisations said. "This had step comes at a critical juncture when exporters were navigating global headwinds, and it had provided the much-needed policy continuity to plan exports with greater confidence," he added.

India eyes $250 billion investments from EFTA nations: Shri Goyal

India will not only attract $100 billion in committed investments from the four-nation EFTA bloc under a trade agreement, but also look at an additional $150 billion, Commerce and Industry Minister Shri Piyush Goyal said . He said that huge opportunities are there for companies from these four countries to invest in India. Under the India-EFTA trade and economic partnership agreement (TEPA), New Delhi has received a commitment of $100 billion FDI from EFTA over the next 15 years. The European Free Trade Association (EFTA) members are Iceland, Liechtenstein, Norway, and Switzerland.

The pact was signed on March 10, 2024. "We have also got a promise from (Swiss State Secretary for Economic Affairs) Helene for another $150 billion after we finalise the data exclusivity in our IP (intellectual property) laws, which I am working towards. So, effectively, we have to get $250 billion from the EFTA region," he said. The Minister was speaking at a function to announce the implementation of TEPA from Wednesday. Swiss State Secretary for Economic Affairs Helene Budliger Artieda was present at the event. Data exclusivity provides protection to the technical data generated by innovator companies to prove the usefulness of their products. In the pharmaceutical sector, drug companies generate data through expensive global clinical trials to prove the efficacy and safety of their new medicine. By gaining exclusive rights over this data, innovator companies can prevent their competitors from obtaining a marketing licence for low-cost versions during the tenure of this exclusivity. The four-nation EFTA bloc had sought data exclusivity in the trade agreement negotiations with India.

When asked about the $150 billion investments, Shri Goyal said, "We will not only attract the committed $100 billion investments, but we are hoping to attract much more than that". He said that Switzerland and the UK were always considered the most difficult countries to work on IP and the laws around it. Somehow, there was a lack of trust for decades between these European countries and India on IP issues, he said. "I am happy to share with you that we have built that trust by having a very robust IP chapter in EFTA, with free trade agreement with the UK and will have a chapter on this with the EU...we are confident that given the robust IP laws and enforcement in India and the plans to make them even stronger in the future, we will not only attract the committed $100 billion investments, but we are hoping to attract much more than that," Shri Goyal told reporters here. "It is a great day today as TEPA has come into effect from today." India is fast engaging with the developed world as it has signed trade pacts with the UAE, UK and Australia, he said. With the UK, he said, it was signed in July and the pact is in the process of ratification in Britain, "and will probably come into effect sometime next year". He described TEPA as a beacon of stability and certainty amid global trade volatility, ambiguity and disruption. The imposition of high tariffs on a number of countries by the US has disrupted global trade.

The Minister underlined the wide-ranging opportunities opened by the agreement in diverse areas, including life sciences, clean energy, precision engineering and food processing, technology, artificial intelligence, accountancy and nursing, education, audio-visual services, culture, tourism and recreation, and geothermal energy. Shri Goyal pointed out that the high price-to-earnings ratio of companies like Nestle India and ABB India reflects the immense potential and confidence of markets in India's future growth. Inviting businesses from EFTA nations, Shri Goyal assured them of India's open, transparent and investor-friendly environment, with 100 per cent FDI allowed in almost all sectors of interest. The minister affirmed that the government is committed to ensuring smoother, faster and more efficient pathways for investors. Mr. Artieda said that this agreement is more than a legal document. "It is a win-win partnership for our countries.

The strong presence of companies from Switzerland and other EFTA countries at today's prosperity summit speaks for itself. These businesses are here because they believe in India and are ready to use the Trade and Economic Partnership Agreement," she said. The implementation of the TEPA would be through laying sector roadmaps and deepening exports in engineering, pharma and med-tech, food processing, textiles/apparel and marine sectors. There would be outreach efforts for MSME onboarding with matchmaking and skills modules on quality, packaging and sustainability for tangible outcomes.

EPCs meet Hon'ble Prime Minister

A meeting chaired by the Hon'ble Prime Minister was held in New Delhi with selected representatives of various industry sectors, that contribute majorly to India's exports. The objective of the meeting was to obtain inputs and suggestions on the measures that are required for increasing India's competitiveness in the global trade.

The Hon'ble Prime Minister Shri Narendra Modi assured exporters that the government will provide all necessary assistance to strengthen India's position in the global trade, as the Centre prepares a series of measures to ease credit access and simplify compliance requirements for exporters and importers.

The Hon'ble Prime Minister interacted with the Chairmen of the export promotion councils from key sectors like apparel, leather, gems and jewellery, handicrafts, engineering, and seafood. The meeting was attended, among others, by the Finance Minister Smt. Nirmala Sitharaman, the Commerce and Industry Minister Shri Piyush Goyal, the Cabinet Secretary Shri TV Somanathan.

The Chairman AEPC Shri Sudhir Sekhri highlighted the concerns of the garment industry while sharing his perspective on the current and evolving scenarios. He also thanked Hon'ble Prime Minister and other councils of ministers for continued support and encouragement to the garment industry.

Shri Sekhri also presented A T Kearney Report on 'Increasing competitiveness of Indian textiles and apparel industry' to the Prime Minister Office.

1. Critical need to facilitate access of collateral free loan to MSMEs and to simplify the banking regulations for exporters
2. Need to attract investment in weaving and processing segment of the textile value chain.
3. Need to attract investment in indigenous machinery and equipment & capacity building for MSMEs.
4. Need to attract investment in sustainable and clean manufacturing.
5. Request to provide Accelerated Depreciation on capital investment under the Income Tax for Apparel Exporters.
6. Request to strengthen skilling infrastructure for apparel manufacturing industry.

Cabinet Approves Export Promotion Mission To Strengthen India's Export Ecosystem Wit An Outlay Of Rs.25,060 Crore

The Union Cabinet chaired by the Hon'ble Prime Minister, Shri Narendra Modi has approved the Export Promotion Mission (EPM) — a flagship initiative announced in the Union Budget 2025–26 to strengthen India's export competitiveness, particularly for MSMEs, first-time exporters, and labour-intensive sectors.

The Mission will provide a comprehensive, flexible, and digitally driven framework for export promotion, with a total outlay of Rs.25,060 crore for FY 2025–26 to FY 2030–31. EPM marks a strategic shift from multiple fragmented schemes to a single, outcome-based, and adaptive mechanism that can respond swiftly to global trade challenges and evolving exporter needs.

EPM is anchored in a collaborative framework involving the Department of Commerce, Ministry of MSME, Ministry of Finance, and other key stakeholders including Financial Institutions, Export Promotion Councils, Commodity Boards, industry associations, and state governments.

The Mission will operate through two integrated sub-schemes:

- **NIRYAT PROTSAHAN** – focuses on improving access to affordable trade finance for MSMEs through a range of instruments such as interest subvention, export factoring, collateral guarantees, credit cards for e-commerce exporters, and credit enhancement support for diversification into new markets.
- **NIRYAT DISHA** – focuses on non-financial enablers that enhance market readiness and competitiveness, including export quality and compliance support, assistance for international branding, packaging, and participation in trade fairs, export warehousing and logistics, inland transport reimbursements, and trade intelligence and capacity-building initiatives.

EPM consolidates key export support schemes such as the Interest Equalisation Scheme (IES) and Market Access Initiative (MAI), aligning them with contemporary trade needs.

The Mission is designed to directly address structural challenges that constrain Indian exports, including:

- Limited and expensive trade finance access,
- High cost of compliance with international export standards
- Inadequate export branding and fragmented market access
- Logistical disadvantages for exporters in interior and low-export-intensity regions.

Under EPM, priority support will be extended to sectors impacted by recent global tariff escalations, such as textiles, leather, gems & jewellery, engineering goods, and marine products. The interventions will help sustain export orders, protect jobs, and support diversification into new geographies.

The Directorate General of Foreign Trade (DGFT) will act as the implementing agency, with all processes — from application to disbursal — being managed through a dedicated digital platform integrated with existing trade systems.

The Mission is expected to:

- Facilitate access to affordable trade finance for MSMEs
- Enhance export readiness through compliance and certification support
- Improve market access and visibility for Indian products
- Boost exports from non-traditional districts and sectors
- Generate employment across manufacturing, logistics, and allied services.

EPM represents a forward-looking effort to make India's export framework more inclusive, technology-enabled, and globally competitive, aligning with the vision of Viksit Bharat @2047.

India-Qatar FTA: GTRI Report Flags $10.78 Billion Trade Deficit; Says Energy Ties Bedrock, But Diversification Needed

As Commerce and Industry Minister Shri Piyush Goyal began his two-day visit to Doha from October 6, India and Qatar were expected to finalise the terms of reference (ToR) for a proposed free trade agreement (FTA) this week. According to the trade policy think-tank GTRI report, India–Qatar trade stood at $14.15 billion in FY 2025, was heavily skewed toward energy imports. India ran a $10.78 billion trade deficit, with petroleum crude and gas products accounting for nearly 90% of imports. Key imports included liquefied natural gas ($6.39 billion), liquefied butanes ($1.67 billion), liquefied propane ($1.54 billion), and petroleum crude ($1.06 billion).

India exported $1.68 billion to Qatar, led by iron and steel ($154 million), basmati rice ($123 million), and gold and precious metal jewellery ($110 million). Non-energy imports, including fertilisers, chemicals, plastics, and aluminium, totaled $1.24 billion, reflecting only 11% of total imports.

"The evolving India–Qatar partnership reflected a pragmatic convergence of needs — Qatar's quest for diversified security and investment partners and India's pursuit of stable energy supplies and regional influence. While trade remains heavily dominated by hydrocarbons, both countries recognize the need to broaden cooperation into new sectors such as chemicals, fertilizers, metals, and engineering goods." Founder of GTRI, Shri Ajay Shrivastava noted in a report.

"Unless trade is balanced, prereferral trade agreement giving concessions on petrochemicals may not be in India's favour. Joint ventures in energy infrastructure, technology collaboration, and cross-border investments can help reduce India's trade deficit and reinforce Qatar's role as a trusted long-term partner. As global power dynamics shift toward a multipolar order, a stronger India–Qatar axis promises mutual resilience, economic complementarity, and greater strategic autonomy for both nations.

" Shri Ajay Srivastava noted, the report notes that the September 2025 Israeli airstrike in Doha highlighted Qatar's need to diversify partnerships, and India is seen as a stable, reliable partner in Asia, offering energy security, strategic access, and a market for industrial goods. Over 800,000 Indians working in Qatar further strengthen people-to-people links and remittance flows. The GTRI report highlighted that while energy are bedrock of India–Qatar trade, both countries recognise the need for broader diversification. The report recommends expanding imports in chemicals, fertilisers, and metals to reduce hydrocarbon dependence, boosting exports of engineering goods, machinery, and value-added food products, and exploring joint ventures in energy infrastructure and technology collaboration to lower the trade deficit and reinforce strategic ties.

Putin directs measures to reduce trade imbalance with India ahead of visit

Russian President Mr. Vladimir Putin expressed his anticipation for his upcoming visit to India in early December and has ordered the government to devise measures to soften the trade imbalance with India due to the heavy import of crude by New Delhi. Speaking at the international Valdai discussion forum of security and geopolitical experts from 140 countries, including India, in the Black Sea resort of Sochi in South Russia , Putin underlined that Russia and India have never had any problems or tensions between them and always took actions by keeping in view their sensitivities. "We have never had any problems or interstate tensions with India. Never," the Russian leader noted. Putin highlighted the "special" nature of Russia-India relations since the days of the Soviet Union, when India was fighting for its independence. "In India, they remember this, they know it, and they value it.

We appreciate that India has not forgotten it," he declared. He referred to Prime Minister Narendra Modi as his friend, noting that he feels comfortable in their trustworthy interactions. Putin lauded India's nationalist government led by Modi, calling him a "balanced, wise", and "nationally oriented" leader. He remarked, "Everyone in India knows this well," particularly regarding India's decision to ignore US pressure to halt oil imports from Russia. "The losses faced by India due to punitive US tariffs would be balanced by crude imports from Russia, plus it will gain prestige as a sovereign nation," Putin said. He said that to remove the trade imbalance, Russia may buy more agricultural products and medicines from India. "

He noted the vast potential for economic cooperation between Russia and India but acknowledged the need to resolve specific issues to fully unlock these opportunities. "We need to solve the whole range of tasks to unlock our opportunities and potential advantages," Putin said, identifying financing, logistics and payment bottlenecks as key concerns. Putin also recalled that the declaration of a special strategic privileged partnership between Russia and India will soon celebrate its 15th anniversary, declaring, "That's what it really is." He noted that, in their political relations, Russia and India almost always coordinate their actions. "We always hear and take into account the positions of our countries on various key issues. Our foreign ministries work very closely together," Putin said. Additionally, he welcomed the idea of a joint fund to develop AI and other cutting-edge technology proposed by Dr Arvind Gupta, Director General of New Delhi-based Vivekananda International Foundation (VIF), who was attending the Sochi forum.

Minister invites Swiss textile giant to set up base in AP

Andhra Pradesh Industries Minister Shri Kondapalli Srinivas has positioned the state as a prime destination for global textile manufacturing and innovation-led enterprises. During high-level meetings in Switzerland and Germany, the minister highlighted AP's investor-friendly ecosystem, skilled workforce, and strategic industrial clusters. Shri Srinivas cited Google's ₹87,000 crore investment in a data centre project in Visakhapatnam as evidence of AP's rising global appeal. "Andhra Pradesh is ready to be a global manufacturing powerhouse," he said, during a meeting with Oliver Fuchs, CEO of Swiss textile firm Fuchs Design AG.

He invited the company to establish a production base in Andhra Pradesh, offering full support in identifying textile clusters and facilitating partnerships. "We offer a robust ecosystem to help companies diversify from China and tap into high-value markets," he said. Highlighting synergies with tourism, Shri Srinivas proposed customized design solutions to enhance AP's tourism offerings. In a separate meeting with Philipp Assmus, CEO of FyrstGen — a global platform that monetizes dormant intellectual property (IP) — Shri Srinivas championed AP's innovation potential. "Our 175 MSME Parks are not just industrial zones; they are incubation hubs for turning ideas into thriving enterprises," he said, urging collaboration with institutions like CSIR. Noting FyrstGen's partnerships with 16 Indian educational institutions and plans to scale to over 200, Shri Srinivas said AP's universities are eager to collaborate. "A structured innovation-to-enterprise framework can connect research institutions, entrepreneurs, and MSMEs to build globally competitive businesses," he added.

In Germany, the minister engaged with export-Akademie Baden-Württemberg to address challenges faced by Indian SMEs. "Many of our SMEs have global potential but lack certifications and export knowledge," he observed, proposing online training programmes and exposure visits to Germany. He identified Andhra University as a partner for co-hosting certification initiatives. "By collaborating with institutions like yours, we can empower our SMEs to compete globally," he said.

India, Qatar target mid-2026 for Free Trade Agreement signing: Shri Piyush Goyal

India and Qatar are on track to finalise a Free Trade Agreement (FTA) by mid-2026, Commerce and Industry Minister Shri Piyush Goyal announced during a business delegation visit aimed at expanding bilateral trade and investment. "I would think that sometime by the middle of next year, or third quarter of next year, we will be able to finalise an FTA, if not earlier," Shri Goyal told reporters in Doha. Qatar ranks among India's key trading partners within the Gulf Cooperation Council (GCC), with bilateral trade totalling over USD 14.15 billion in 2024-25. The GCC comprises Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates. India has already secured a trade pact with the UAE and is expected to sign a similar agreement with Oman in the near future. Minister Shri Goyal held discussions with his Qatari counterpart, Mr. Sheikh Faisal bin Thbin Faisal Al Thani, on launching FTA negotiations. Both ministers agreed to fast-track the process to support their ambitious goal of doubling bilateral trade. "We will fast-track it so that trade and business can double by 2030 from USD 14 billion to USD 30 billion," Shri Goyal said. Regarding Qatar's USD 10 billion investment commitment to India, Shri Goyal reported significant progress. Qatar has already invested between USD 4-5 billion in India, with an additional USD 1-1.5 billion in the pipeline nearing finalisation. "They are looking at good promoters and good projects in India, and I am hopeful that our associations like CII and FICCI will certainly provide very good opportunities for investment in manufacturing and services sectors like banking, insurance, AI, data centres, and real estate," the minister said. He expressed confidence that Qatar's investments could exceed the USD 10 billion target in the coming years.

India faces a substantial trade deficit with Qatar. In the last fiscal year, India's exports to Qatar totalled USD 1.68 billion, while imports surged to USD 12.46 billion, creating a deficit of USD 10.78 billion. Indian exports to Qatar in 2024-25 included iron and steel products, rice, gold and precious metal jewellery, processed minerals, motor vehicles, petroleum products, electrical machinery, electronics, buffalo meat, and sugar. From April 2000 to June 2025, India received USD 1.53 billion in foreign direct investment from Qatar. Co-chairing a meeting with business leaders from both nations, Shri Goyal identified numerous opportunities for enhanced cooperation in agriculture, food products, non-conventional and renewable energy, data centers, tourism, cosmetics, pharmaceuticals, and artificial intelligence. When asked whether increasing exports to Qatar could help offset high US tariffs on Indian goods, Shri Goyal emphasised the strategic importance of the relationship. "Qatar is India's trusted friend and trading partner. We want to strengthen our trade and mutual relations with Qatar, and we want to strengthen our relations with other countries as well," he said.

Centre Plans New Credit Cover For MSME Exporters

To aid exporters impacted due to the steep US tariffs and diversify to other markets, the Centre may soon launch a credit guarantee scheme for MSME exporters for loans up to Rs 100 crore. This new scheme exporters could be on the lines of the common Mutual Credit Guarantee Scheme (MCGS) for MSMEs launched earlier IN 2025 for the m "In MCGS, there is a 5% upfront deposit to be made while applying for guarantee cover for a loan. For the proposed scheme for exporters, the deposit can be reduced for exporters," an official said, adding that the scheme is still in the discussion stage and no final decision has been taken. Manufacturing sector, but with simplified terms, according to the sources.

The MCGS scheme, launched in January 2025, provides a 60% guarantee coverage by National Credit Guarantee Trustee Company Limited (NCGTC) to member lending institutions (MLIs) for credit facilities up to Rs 100 crore to eligible MSMEs for the purchase of equipment or machinery. An upfront contribution of 5% of the loan amount has to be deposited at the time of application of guarantee cover. The guarantee fee on loan under the scheme is nil during the year of sanction, it would be 1.5% per annum of the loan outstanding for the next three years and 1% of the loan outstanding thereafter.

Some of these terms could be eased for the proposed scheme for exporters. The scheme may be launched in the current quarter, given the adverse impact of the steep 50% US tariff on Indian goods. The higher US tariff, which came into effect on August 2025 has impacted several sectors, including shrimp, textiles and gems & jewellery. For example, carpet exports have been worst hit as 60% of the item is shipped to the US alone. India's annual carpet exports are estimated to be around Rs 8,000 crore. The initial assessment suggests that there will be some impact of the US tariffs on Indian exports, but the government does not see the huge impact as feared earlier, the official said.

The exporters could manage the impact of the higher tariff at least for now. Despite the cost going up due to tariffs, some of the importers are still buying as it's difficult for US importers to source products from alternative markets easily for the upcoming festivities like Christmas and the New Year, sources said.

Indian Fashion Leads Global Shift Toward Sustainability & Slow Design: MoS Textiles.

Minister of State for External Affairs and Textiles, Shri Pabitra Margherita, said that Indian design is emerging as one of the most exciting on the global stage, driven by a fusion of traditional craftsmanship and contemporary sensibilities. Addressing students at the National Institute of Fashion Technology (NIFT) during a convocation ceremony in Navi Mumbai, the Minister said the global focus in fashion is shifting towards sustainability, circularity, ethical production, and slow design, led largely by the younger generation.

"There is a renewed pride in rediscovering India's textile heritage — from natural dyeing and hand weaving to recycling and zero-waste tailoring. The fusion of traditional skills with global sensibilities is making Indian design one of the most exciting in the world today," he said.

Highlighting India's leadership in the handloom and craft sector, Shri Margherita noted that the country remains unique in retaining a large artisan workforce. "India is the only country where about 10 million people are directly associated with handloom and handicrafts," he said, adding that most developed nations have transitioned fully to mechanized production. The Minister, who has visited textile clusters and design institutes across 31 countries, said he takes pride in India's ability to combine innovation with heritage, positioning the nation as a leader in creative and sustainable design. The upgraded 8,352-square-metre complex features modern classrooms, advanced laboratories, a multipurpose venue, and a 500-seat auditorium, designed to foster creativity and academic excellence among students and faculty.

India-US trade takes a hit amid tariff row; exports fall 37.5% in four months: GTRI report

India's exports to the United States have plunged sharply following Washington's imposition of 50 per cent tariffs on most Indian goods. September 2025 shipments fell to $5.5 billion, down 20.3 per cent from August, marking the fourth consecutive monthly decline and erasing over $3.3 billion in monthly trade since May, according to a report from GTRI. Trade data shows that Indian exports to the US fell from $8.8 billion in May — the last month of growth — to $8.3 billion in June (–5.7%), $8.0 billion in July (–3.6%), $6.9 billion in August (–13.8%), and finally $5.5 billion in September (–20.3%), according to GTRI data. September was the first full month in which most Indian goods faced Washington's 50 per cent tariff.

"The data confirm that the United States has emerged as India's most severely affected market since the tariff escalation began," stated the report. Key sectors bearing the brunt of the decline include textiles, gems and jewellery, engineering goods, and chemicals. The sharp fall in shipments highlights the growing impact of the tariff regime, which started at 10 per cent, rose to 25 per cent in early August, and reached 50 per cent by the end of the month.

India now engages in trade from position of strength: Shri Piyush Goyal

Commerce and Industry Minister Shri Piyush Goyal said that India has undergone a significant shift in recent years and that it now negotiates from a position of strength, reflecting the country's growing economic confidence and global stature in terms of India's approach to Free Trade Agreements (FTAs) and other trading arrangements. Addressing the annual conference and 105th annual general meeting of Assocham in New Delhi, Shri Goyal said the country is now engaging primarily with nations that are not competitors to India, ensuring that trade partnerships are balanced and mutually beneficial.

The Minister stated that gone are the days when India entered into imbalanced free trade agreements without recognizing its own strengths. He noted that this strategic approach allows India to safeguard its domestic industries, promote exports, and create opportunities for investment and technology collaboration, while avoiding agreements that could disproportionately benefit the other party at India's expense. The Minister informed that India's foreign exchange reserves continue to be robust at around $700 billion, reflecting the strong fundamentals of the Indian economy.

He said that in every respect, the people of India, businesses, and industry together represent a new dynamism, enthusiasm, and confidence that were not witnessed a few years ago. The minister said that the world today recognizes India as an important trading partner and a trusted country to work with. He observed that the days when India used to negotiate trade agreements from a position of weakness are over, and that the Indian passport now commands respect and value across the world.

Shri Goyal pointed out that while the world is facing challenging global times, India continues to demonstrate resilience and remains the fastest-growing economy. He referred to the recent IMF projection that raised India's growth forecast from 6.4 to 6.6 per cent and also mentioned that retail inflation in September had been the lowest in eight years at 1.54 per cent. He said that the government has worked to make India an attractive destination for business through ease of doing business measures, decriminalization of laws and simplification of processes and compliance.

The Minister added that India is fully committed to its sustainability goals and has already achieved 250 gigawatts of renewable energy capacity, representing 50 per cent of the country's transmission grid. He said that by 2030, India will achieve 500 gigawatts of clean energy capacity, making it one of the best destinations for data centers and clean energy investments.

Farmers eye better cotton prices despite import duty exemption

As the procurement season for cotton begins on October 22,2025 in the South, farmers in Telangana expect a better deal this time despite the set back in the form of the suspension of duties on the import of cotton a few months ago. Though they suffered losses in several areas due to continuous rains over the last six weeks, farmers expect yields up to eight quintals an acre. The Union Government exempted all customs duties on raw cotton imports from August 19, 2025, to December 31, 2025. This measure was aimed at stabilizing domestic cotton prices and supporting the textile industry. Farmers expressed concern over the decision as it could push the domestic prices down.

"We are hoping that prices will be good this year. We are also expecting good yields too," Shri S Malla Reddy, a leader of All-India Kisan Sabha, told businessline.He, however, wanted the Cotton Corporation of India (CCI) to relax the norms and allow cotton up to 18 per cent. The CCI stipulates the moisture level at 8 per cent to make the produce eligible for the full MSP. It, however, procures cotton up to 12 per cent moisture level but pares the price accordingly. It refuses to purchase the cotton lots that come with moisture levels beyond 12 per cent.

Meanwhile, Telangana Agriculture Minister Shri Tummala Nageswara Rao has asked the District Collectors in the cotton-growing districts to notify the ginning centres and get ready for the purchases. Farmers in Telangana grew cotton in 18.61 lakh hectares as against the normal area of 20 lakh hectares.

Union Minister Coal and Mines Minister Shri G Kishan Reddy has asked the farmers to shift to high-density plantation to get more yields. Citing the example of farmers in Maharashtra, he said that farmers in the Akola region could significantly increase yields by following this method. He said nearly half of the ₹1.37 lakh crore that the CCI spent on cotton procurement over the last 10 years went to Telangana and Andhra Pradesh. The Agricultural Market Intelligence Centre of Prof. Jayashankar Telangana Agricultural University said the cotton import duty exemption till Dec 31, 2025, would help in stabilizing raw cotton prices and lower costs for textiles mills. "However, higher imports may depress domestic prices, pressuring farmers, making CCI's support vital," it said.

Swadeshi campaigns to help domestic textiles demand reach $250 billion by 2030

The Ministry of Textiles had announced that it would run a nationwide 'Swadeshi Campaign' for the six to nine months to boost the domestic demand for handloom, handicrafts and textile products, especially among urban millennials and Gen Z. After the implementation of Swadeshi campaigns, "the domestic demand was increased by a CAGR of 9–10 per cent per annum to reach a total domestic demand of textiles of $250 billion by 2030," the ministry had said in a statement. India's textiles and clothing market reached a valuation of $179 billion in 2024, with an annual growth rate exceeding 7 per cent, the government informed. The contribution of the household (HH) sector to the domestic market is 58 per cent and it was growing at a CAGR of 8.19 per cent. Meanwhile, the non-household consumption is 21 per cent of the domestic market and was growing at a CAGR of 6.79 per cent. The Swadeshi campaign "will be run across India" to boost textile consumption among urban millennials and Gen Z, while enhancing market access and income opportunities for weavers, artisans, and MSMEs. The campaign aims to reposition Indian textiles as symbols of pride and style, especially for younger consumers. Ministries, public sector units, and educational institutions will be encouraged to adopt Indian-made textiles for uniforms and furnishings, an official statement said. The ministry announced that the initiative complements existing programs, including the production-linked incentive scheme for textiles, PM MITRA Parks, and the One District One Product initiative. Events, social media outreach, and state-level participation will promote the slogan of the campaign, the release said. The recent changes in the GST rates will enhance demand for the textiles and apparels in the household and non-household sectors, which may yield higher growth rates in the consumption of textiles in the country, the government said.

Global South must unite to combat rising global trade uncertainty: Shri Piyush Goyal

India's Commerce and Industry Minister Shri Piyush Goyal has called on the Global South to speak with one voice to address rising uncertainty, inequality and distrust in the global trading system, warning that the rules-based order was under strain from unilateral measures and protectionist barriers.

Speaking at the 16th Session of the United Nations Conference on Trade and Development (UNCTAD) in Geneva. Shri Goyal said the world was experiencing "an era of profound trust deficit" across multilateral institutions, international bodies, and even nations. Tariff and non-tariff barriers, non-market practices, and over-concentrated supply chains were eroding confidence in the global trading system, he added. "A lot of non-market practices are coming into play... There's an over-concentration of supply chains, both at the source and at times on the demand side. Also, there's a dilution of the special and differential treatment that was provided when the WTO was originally set up," he said.

Various countries' unilateral restrictions on technology and services "are all out there in the open for all of us to see", Shri Goyal said, adding that these challenges hit developing nations the hardest. In August, 2025. US President Donald Trump imposed an additional 25% tariff on Indian goods, owing to New Delhi's oil imports from Russia. This followed an earlier 25% 'reciprocal tariff' announced in April as part of Washington's broader push to curb trade imbalances. The higher duty has hurt India's export sector, particularly labour-intensive industries such as textiles, leather, gems, and jewellery. The impact was evident in September, 2025 the first full month under the new tariff regime, when India's goods exports to the US fell 11.9% year-on-year to $6.02 billion, and from $6.41 billion in August, 2025.

The US has also tightened visa rules, hiking the one-time fee for H-1B visa applications from $1,000 to $100,000 and sowing chaos in India's IT services sector, among others. The US is India's largest single export market, accounting for about 2% of GD During his address, Shri Goyal also criticized developed countries for failing to deliver on the climate finance commitments they made at the 2015 Paris Agreement, noting that the promised $100 billion a year in low-cost or grant-based funding was yet to materialize."I do think, despite several promises made at Paris at Cop 21, the developed countries have not yet fulfilled their end of the bargain," he said. "We still have to see technologies coming from the developed world to help less developed countries in their fight against climate change," he added.

GST Rate Rationalization To Boost Revenue Growth Of Organized Apparel Retail Sector

The recent Goods and Services Tax (GST) rationalization will add about 200 basis points to revenue growth of India's organized apparel retail sector this fiscal, keeping it steady at 13- 14% for the second consecutive fiscal, according to Crisil Ratings.

The GST rate cut on apparel priced below ₹2,500 is likely to lift the demand in the midpremium segment, while the fast fashion/value segment, which account for 65 % of the sector's revenue, will continue to drive the momentum. The uniform 5% GST, compared with the previous dual structure of 5% for apparel priced below ₹1,000 and 12% for those between ₹1,000 and ₹2,500, has widened the consumption base. The increase in the GST on apparel priced more than ₹2,500 from 12% to 18% has weighed on premium categories, including wedding wear, woollens, handlooms and embroidered clothing that account for about 35% of the organized apparel sales.

Mr. Anuj Sethi, Senior Director, Crisil Ratings, said in a press release, "Extending the 5% GST slab to apparel priced up to ₹2,500 boosts price competitiveness across the fast fashion/value and mid-premium segments, whose customers are price-sensitive. Benign inflation, easing food cost, and faster fashion-refresh cycles will help retailers gain a modest share-of-wallet advantage in discretionary categories, leading to sustained sectoral revenue growth of 13-14% this fiscal."

Ms. Poonam Upadhyay, Director, Crisil Ratings, added, "Lower cotton prices and the reduction of GST on synthetic fibers and yarn, from 18% and 12% to a uniform 5%, will ease input cost. As a result, given raw materials account for almost two-thirds of production cost, the sector's operating margin is expected to inch up to 14.0-14.5% this fiscal."

Mr. Trump says trade topped talks with PM Shri Modi

U.S. President Mr. Donald Trump said, he spoke with Hon'ble Prime Minister Shri Narendra Modi with their conversation focused largely on trade. "We talked about a lot of things, but mostly the world of trade," Mr. Trump told reporters in the Oval Office.

Mr. Trump added that energy was also part of the discussion, saying Hon'ble Prime Minister Shri Narendra Modi assured him that India would be limiting its oil purchases from Russia. "He's not going to buy much oil from Russia. He wants to see that war end as much as I do," Mr. Trump said.

India and China are the two top buyers of Russian seaborne crude exports. Mr. Trump has recently targeted India for its Russian oil purchases, imposing tariffs on Indian exports to the U.S. to discourage the country's crude buying as he seeks to pressure Moscow to negotiate a peace deal in Ukraine. Hon'ble Prime Minister Shri Narendra has shared a post on X, thanking Mr. Trump for extending Diwali greetings over a phone call.

Shri Piyush Goyal's BIG statement amid tariff tensions with US: 'World experiencing era of trust deficit'

Amid tariff tensions with the United States, Union Commerce and Industry Minister Shri Piyush Goyal has called on the Global South to speak with one voice to address rising uncertainty, inequality, and distrust in the global trading system. Speaking at the 16th Session of the United Nations Conference on Trade and Development (UNCTAD) in Geneva on October 22, Shri Goyal said the world was experiencing "an era of profound trust deficit" across multilateral institutions, international bodies, and even nations.

"A lot of non-market practices are coming into play... There's an over-concentration of supply chains, both at the source and at times on the demand side. Also, there's a dilution of the special and differential treatment that was provided when the WTO was originally set up," he said. Back in August, 2025 US President Mr. Donald Trump announced a steep 25 percent tariff "plus penalty" against India, citing its business with Russia. Later, he declared an additional 25 percent tariff against India, taking the total levy to 50 percent. This time, he once again cited India's business with Russia as the reason behind the ongoing Ukraine war. India, on the other hand, stood firm in its stance, calling the move "unfair, unreasonable, and unjustified". However, trade talks are underway between the two nations, with both sides stressing a mutually beneficial agreement. The ties between New Delhi and Washington have recently witnessed a thaw, with President Mr. Trump calling Hon'ble Prime Minister Shri Narendra Modi **"Great Prime Minister and a Great Friend"**.

Mr. Trump tariffs on Indian exports may drop to 15-16% with trade deal: Report

India and the US are in extensive and advanced stage of talks on a trade deal that could see tariffs on Indian exports drop to 15% to 16% from the current 50%, Mint reported citing sources. Earlier, Chief Economic Advisor (CEA) Shri V Anantha Nageswaran was optimistic of the tariff dispute between the two countries, and said that the issue would be resolved within the next two months, leading to the eventual withdrawal of the White House-imposed penal levies.

"Although I don't have a crystal ball or any inside information, my personal confidence is that, in the next couple of months, if not earlier, we will see a resolution at least to the extra penal tariff of 25%," the CEA said, speaking at an event organized by Bharat Chamber of Commerce in Kolkata, Shri Nageswaran had indicated that talks are underway to reduce the reciprocal tariff from 25% to anything between 10 and 15%. "It may also be the case that the reciprocal tariff of 25% may also come down to levels that we were anticipating earlier, somewhere between 10 and 15%. If that comes, it will be an even bigger occasion to celebrate," Shri Nageswaran added. According to the Mint report, India may agree upon gradual reduction of Russian oil imports as energy and agriculture have been the key issues of contention.

The purchase of Russian oil had attracted an additional 25% tariff on Indian exports, over the 25% reciprocal tariffs announced in April. India imports about 34% of crude oil from Russia, while about 10% of the country's current oil and gas needs are imported from the US. Further, India could permit more non-genetically modified (GM) American corn and soymeal into its markets. This comes as the US is seeking new buyers after China reduced the import of US corn from $5.2 billion in 2022 to just $331 million in 2024. The overall US corn exports have fallen from $18.57 billion in 2022 to $13.7 billion in 2024. India could increase the import of non-GM maize from the US, even though the duty on these imports will remain unchanged at 15%. The current quota of American corn imports is 0.5 million tonnes annually.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