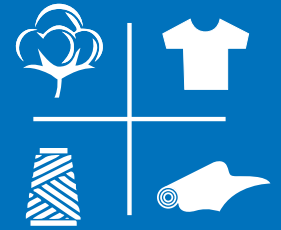




# M. P. TEXTILE NEWSLETTER

THE MONTHLY NEWS LETTER OF THE MADHYA PRADESH TEXTILE MILLS ASSOCIATION



Chairman:  
**Shri Shreyaskar Chaudhary;**  
 Vice Chairman:  
**Shri Siddharth Agrawal;**  
 Dy. Chairmen:  
**Shri Subhash Jain**  
**Shri Tarun Baldua**

## ASSOCIATION NEWS

1. The Association submitted its suggestions/comments on the Proposed Tariff for 2025-26 to Secretary, Madhya Pradesh Electricity Regulatory Commission on 18<sup>th</sup> January, 2025. Some of our suggestions/comments are as under:

- The existing system of Billing at KWh and Time of the Day rebate/surcharge should continue. Power Factor Incentive needs to be continued. The changes relating to shifting from KWh to KVAh billing and withdrawal of Night rebate increase the tariff by about 13.5% and being exorbitant needs to be disallowed.
- The proposal to sell surplus 5327 Mn. units to other States @ 455.49 paise per unit and burdening the consumers by increasing tariff is not acceptable and the increase needs to be disallowed.
- Billing of 75 units each from 4.64 lakh unmetered consumers for past several years leading to extra recovery from other consumers is not acceptable.
- Rebate of Rs.2/- per unit on incremental consumption by Captive Power Plants consumers of HV-3 category needs to be increased to Rs.3/- per unit.
- No Additional Surcharge should be levied on Captive Power Plants and Renewable Power Plants.
- Rebate of Rs.1/- per unit on incremental consumption of Open Access consumers should be allowed considering open access consumption of 2019-20.
- For exceeding Contract Demand up to 30% penal charges be abolished.
- Invoke provisions under Section 42(2) sub para 4 of Electricity Act, 2003 and abolish the Cross Subsidy Surcharge and Additional Charge.
- Limit of 10000 KVA be increased to 15000 KVA for power connection on 33 KVline.
- Tariffs for all categories should be equal to cost of supply.

In view of above observations, Tariff increase proposed for 2025-26 not be allowed and the same should be maintained at the current levels. (Tariff for 2024-25).

2. Pratibha Swarai Private Limited ( a unit promoted by Pratibha Syntex Ltd.) has started production of seamless apparels (swim wear, yoga wear, night wear, medical wear, etc.) at Ninora (Ujjain) with an investment of Rs. 85 crore, which will be up to Rs. 145 crore by end of March, 2025. In the next financial the company proposes investment of Rs. 200 crore more and when fully functional the unit will employ around 3,500 persons with more than 80% being women workers.

3. Shri S Pal, Director M P Locations, Vardhaman Group retired on 31<sup>st</sup> January, 2025. He was Chairman of the Association from 22<sup>nd</sup> December, 2012 to 27<sup>th</sup> December, 2014. We wish him best of health and great time.

## RAW MATERIALS

1. As per USDA Report dated 10<sup>th</sup> January, 2025 for the 2024-25 Global production, consumption, trade, and ending stocks are raised in the 2024-25 World cotton balance sheet ,while beginning stocks are unchanged. World production for 2024-25 is increased just over 2.00 million bales to 119.4 million, largely the result of a 1.80 million-bales increase for China's crop. Larger crops are also projected for Australia and the United States, while production in Pakistan is reduced. World consumption is raised 100,000 bales as increases in Bangladesh and Vietnam more than offset a reduction for Turkey. Projected exports are raised 225,000 bales as increases for Brazil, Australia, and India exceed the reduction for the United States. Ending stocks are increased almost 1.9 million bales as increases in China, the United States, Australia, and India more than offset the reduction for Brazil.



Production etc. Mn of 480 Pound Bales

	2022 -23	2023 -24	2024 -25
Area Mn. Hectare	32.715	32.209	32.949
Opening Stock	70.88	75.90	74.16
Production	116.30	112.98	119.45
Consumption	112.64	114.33	115.89
Export/Import	37.74	44.01	42.2 5
Closing Stock	75.90	74.16	77.91

2. Cottoncandy prices declined by 0.15% to ₹54,220, following the latest WASDE report projecting an increase in global cotton production and ending stocks for the 2024-25 crop year. India faces challenges in northern states like Punjab, Haryana, and Rajasthan, where kapas arrivals have dropped 43% year-on-year, leading to supply chain disruptions. Farmers are holding back produce for better prices, causing raw material shortages for ginner and spinners, especially in Punjab.

3. The cotton imports in India have shown threefold jump in first two months of the season 2024-25 (October-November).

4. The Cotton Association of India (CAI), has revised upwards its crop projections by 2 lakh bales of 170 kgs. each from its earlier estimates for the crop year 2024-25 ending September. CAI in its latest projections has pegged the output to be around 304.25 lakh bales of 170 kgs. each, about 2



lakh bales higher than its earlier projections. This is mainly on account of higher than expected output in Telangana, where the projections are revised upwards by 6 lakh bales at 42 lakh bales, while in North India, the output is expected to decline by 3.5 lakh bales. Total supplies till end December, 2024 were estimated at 176.04 lakh bales of 170 kgs. each including the pressing figures of 133.85 lakh bales, imports of 12 lakh bales and opening stock of 30.19 lakh bales. Consumption till end-December stood at 84 lakh bales, while exports of 7 lakh bales are estimated to have taken place, mainly to Bangladesh. December-end stocks are estimated at 85.04 lakh bales.

CAI said the consumption estimate for 2024-25 season has been increased by 2 lakh bales to 315.00 lakh bales of 170 kgs each on pickup in demand. The cumulative market arrivals of cotton as per the data collated by CAI stood at over 156 lakh bales as on 22<sup>nd</sup> January, exceeding half of the estimated crop size of 304.25 lakh bales, of the total market arrivals of 156 lakh bales, about half the quantity is estimated to have been procured by Cotton Corporation of India (CCI).

5. Indian domestic raw material prices ( VSF and PSF) are significantly higher than international prices. While competitors like Bangladesh, and Vietnam have free access to such raw materials, India has imposed QCO on VSF and MMF fibre/yarn, which is acting as a Non-Tariff Barrier on the imports of such raw materials and thus affecting their free flow. It has resulted in a shortage of some specialized fibre/yarn varieties. Notably, most of India's VSF imports came from Indonesia, while no Indonesian producer has been certified by BIS till now

## POWER

1. The Madhya Pradesh Electricity Regulatory Commission. has issued a Public Notice on 31st December, 2024 inviting comments/suggestions on the proposed tariff for 2025-26 by 24<sup>th</sup> January, 2025. The Tariff proposed for the Textile Industry (HV 3.1) as compared to tariff of 2024-25 is as under:



Fixed Charges KVA of Billing Demand per month	2024-25 Actual	2025-26 Proposed		
11 KV	Rs. 384.00	Rs. 413 .00		
33 KV	616.00	662.00		
132/220/400 KV	704.00	757.00		
Energy Charges	Up to 50% LF	Above 50% LF	Up to 50% LF	Above 50% LF
	Rs./unit	Rs./unit	Rs./kVAh	Rs./kVAh
11 KV	Rs.7.30	Rs. 6.30	Rs.7.32	Rs.6.31
33 KV	7.26	6.21	7.27	6.22
132 KV	6.85	5.86	6.86	5.87
220 /440KV	6.40	5.40	6.41	5.41

• Power Factor Incentive/Penalty has been withdrawn. The time of the day surcharge/rebate has been changed as under:

6.00AM to 9.00AM & 5.00 PM to 10.00PM	Surcharge of 20% of Normal rate of Energy Charges
9.00 AM to 5.00PM	Rebate 20% of Normal rate of Energy Charges
10.00 PM to 6.00 AM (Next day)	Normal rate of Energy Charges

2. M P Power Management Company has advised DISCOMs to bill to the consumers Fuel & Power Purchase Adjustment Surcharge (FPPAS) @ minus (-) 0.90 % on energy charges only for one month commencing from 24<sup>th</sup> January, 2025.

3. The Madhya Pradesh Electricity Regulatory Commission has notified MPERC (Power Quality) Regulations, 2025 which have come in to effect from 10<sup>th</sup> January, 2025.

## MANPOWER

1. Employees Provident Fund Organization has simplified the process of transfer of provident fund accounts of a member on change of employment, the present requirement of routing the online transfer claim through either the past or the present employer has been dispensed with by linking the same to UAN.



2. The State Government has issued a Draft Notification on 10<sup>th</sup> January, 2025 proposing to amend Section 9(2) of Madhya Pradesh Shram Kalyan Nidhi Adhiniyam. It proposes to increase per:

- Employers contribution from Rs. 30 to Rs. 50 per employee payable every six months;
- Minimum half yearly Employers contribution from Rs. 1500 to Rs. 2500.

The Notification would be considered after 30 days.

## LEGAL & TAXATION

Central Government, on the recommendations of the Council has issued a Notification on 23<sup>rd</sup> January, 2025 waiving the amount of late fee referred to in section 47 of the Act in respect of the return to be furnished under section 44 of the Act, for the financial years 2017-18 or 2018-19 or 2019-20 or 2020-21 or 2021- 22 or 2022-23,



which is in excess of the late fee payable under section 47 of the Act up to the date of furnishing of FORM GSTR-9 for the said financial year, for the class of registered persons, who were required to furnish reconciliation statement in FORM GSTR-9C along with the annual return in FORM GSTR-9 for the said financial year but failed to furnish the same along with the said return in FORM GSTR-9, and furnish the said statement in FORM GSTR-9C, subsequently on or before the 31st March, 2025. No refund of late fee already paid in respect of delayed payment of furnishing Form GSTR- 9C for these financial years will be available.

## EXPORT & IMPORT

1. The Central Government released the information relating to exports for the month of December, 2024 on 15<sup>th</sup> January, 2025. India's textile and apparel (T&A) exports continued to rise in December, 2024, demonstrating sustainable export demand for Indian textiles and apparel. The cumulative trade in the first nine months of the current fiscal 2024-25 (April-



December) showed notable improvement. India may have benefitted from export orders diverted from Bangladesh. The information relating to textile and apparel exports is as under:

Figures in US\$ Million

Exports	Apr. -Dec . 2023-24	Apr.-Dec. 2024-25	% Change
Cotton Yarn, Fabric, Made -ups, Handloom Products	8,670.08	8,974.73	2.82
MM Yarn, Fabric Made - ups, etc.	3,4283	3,610.27	4.42
Jute Products	258.93	283.93	9.66
Carpets	1,037.94	1,149.50	10.75
Handicrafts, etc.	1,172.20	1,319.12	12.53
<b>Textiles</b>	<b>14,567.50</b>	<b>15,277.55</b>	<b>4.87</b>
<b>Apparel</b>	<b>10,141.67</b>	<b>11,316.09</b>	<b>11.58</b>
<b>Textiles &amp; Apparel</b>	<b>24,709.17</b>	<b>26,593.64</b>	<b>7.63</b>
All Commodities	3,16,649.87	3,21,708.66	1.60
<b>% Share of T &amp; C</b>	<b>7.80</b>	<b>8.27</b>	<b>4.66</b>



- During December, 2024, Textiles Exports increased to US\$1,798.49Mn. registering a growth of 12.76% over December, 2023, while Apparel Exports increased to US\$ 1,462.26 Mn. registering a growth of 12.89% during the same time period.
- Cumulative Exports of Textiles and Apparel during December, 2024 increased to US\$ 3,260.75 Mn. with a growth of 12.82 % over December, 2023.
- Share of T&A has increased to 8.58% in December, 2024 from 7.53% in December, 2023.
- During April - December, 2024, Textiles Exports registered growth of 4.87% over the previous period, while Apparel Exports registered a growth of 11.58% during the same time period.
- Cumulative Exports of Textiles and Apparel during April-November, 2024 have registered a growth of 7.63% as compared to April-December, 2023. The significant rise in textile and apparel exports can be attributed to two primary factors — enhanced realizations from the weakening Indian rupee against the US dollar and improved demand.

2. In December, 2024, imports of textile yarn, fabrics, and made-ups increased by 3.27%, rising from \$1,747.04 million to \$1,804.21 million. During December 2024, the import of raw cotton and waste surged by an astonishing 384.87 %, from \$29.47 million to \$142.89 million. Similarly, imports of textile yarn, fabrics, and made-ups rose by 9.69 % to \$219.65 million in the latest month. The details of imports in April-December, 2024 as compared to the same months of the previous year are under:

Figures in US\$ Million

Imports	Apr. - Dec., 2023-24	Apr.-Dec., 2024-25	% Change
Cotton Raw & Waste	498.81	918.69	84.18
Textile Yarn, Fabrics , Made- ups, etc.	1,747.04	1,804.21	3.27

3. India's exports of spun yarn stood at US \$ 4.6 billion, which had increased at a CAGR of 6% since 2019-20. India imported approximately US\$ 0.6 billion worth of spun yarn during the same period. Imports of Man-made spun yarn holds a share of 58% indicating high demand. Both exports and imports for spun yarn have increased since 2019-20 by 6% and 5% CAGR respectively. The detailed data is as under:

Figures in US \$ Billion

Spun Yarn	2019-20	2023-24	% share 2023-24	CAGR %
<b>EXPORTS:</b>				
Cotton	2,774	3,792	83	8
Man -made	680	595	13	(-)3
Others	138	173	4	6
<b>Total</b>	<b>3,593</b>	<b>4,560</b>	<b>-</b>	<b>6</b>
<b>IMPORTS:</b>				
Cotton	19	27	5	9
Man -made	334	341	58	1
Others	126	223	37	15
<b>Total</b>	<b>478</b>	<b>591</b>	<b>-</b>	<b>5</b>

4. India is the 5th largest exporter of Textiles & Apparel in the World in 2024. The share of Textile and Apparel (T&A) including handicrafts in India's total exports stands at a significant 8.21% in 2023-24. Our country has a share of 3.9% of the global trade in textiles and apparel. Major textile and apparel export destinations for India are USA and EU and with around 47% share in total textile and apparel exports. India is a major textile and apparel exporting country and enjoys trade surplus.

5. India exported US\$ 0.9 billion man made filament yarn and imported US \$ 1.4 billion in 2023-24. Since 2019-20 import of polyester filament yarn has increased with CAGR of 36% and that of Viscose filament yarn increased at 23% CAGR. Despite growth in production, the exports have declined at (-)8% CAGR and imports have increased at 14% CAGR, showing strong demand. The detailed information is as under:

Figures in US \$ Billion

Filament Yarn	2019-20	2023-24	% share 2023-24	CAGR %
<b>EXPORTS:</b>				
Polyester	1,094	695	79	(-)11
Viscose	37	42	5	3
Nylon	32	3	0.3	(-)0.45
Others	59	142	16	25
<b>Total</b>	<b>1,221</b>	<b>882</b>	<b>-</b>	<b>(-)8</b>
<b>IMPORTS:</b>				
Polyester	177	610	45	36
Viscose	161	364	27	23
Nylon	67	53	4	(-)6
Others	402	334	24	(-)5
<b>Total</b>	<b>478</b>	<b>591</b>	<b>-</b>	<b>14</b>

6. Vide Notification No. 49/2024-25 dated 4<sup>th</sup> January, 2025, the Director General of Foreign Trade (DGFT) has extended the imposition of Minimum Import Price (MIP) of US\$ 3.50 per Kg on 13 specific HSN codes of synthetic knitted fabrics namely 60019200, 60041000 ,60049000, 60053600, 60053790 ,60053900 ,60062200, 60064200, 60063100, 60063200, 60063300, 60063400 and 6006900 till 31<sup>st</sup> March, 2025, with the exemption granted for imports by Advance Authorisation holders, EOUs & SEZs, subject to condition that for imported inputs are not sold into DTA.

7. The DGFT has issued a Policy Circular on 21<sup>st</sup> January, 2025 providing relief in average export obligation in terms of Para 5.17 of Hand Book of Procedures of FTP, 2023 to exporters, whose export has declined by more than 5% in 2023-24 as compared to 2022-23.

8. The DGFT has issued Public Notice on 27<sup>th</sup> January, 2025 amending Paras 2.91 and 2.93 of Hand Book of Procedures 2023 to implement the eCertificate of Origin (eCoO) system and streamline Non-Preferential CoO issuance.

9. On 29<sup>th</sup> January, 2025, DGFT has introduced online module for filing RoDTEP Returns.

10. The Reserve Bank of India has issued Notification No. FEMA 10(R)(5)/2025-RB dated 14<sup>th</sup> January, 2025. This Notification allows exporters to open foreign currency accounts outside India to receive export proceeds and utilize the funds for making payments for imports. Thus, the banking costs in making inward and outward remittances can be saved.

11. According to Shri Ashok Kumar Malhotra, Mission Director, National Technical Textiles Mission (NTTM). Exports of special technical textile products grew 6.2% between April and November, 2024 compared with the same period last year. The exports from April to November, 2024 were worth Rs. 2,915 crore compared with Rs. 2,345 crore during April-November, 2023.

## STATE OF INDUSTRY

1. According to data released by the Ministry of Statistics and Programme Implementation (MoSPI) on 10<sup>th</sup> January, 2025 India's industrial output (General Index) in November, 2024 increased by 5.2% over November, 2023. The index for manufacture of textiles, which was 102.7 in November, 2023 increased



to 106.6 in November, 2024 showing an increase of 3.8 %. The Wearing Apparel Index increased from 92.9 in November, 2023 to 100.2 in November, 2024 recording a growth of 7.9 %. The details of IIP are as under:

Imports	For the Month		Cumulative		Growth
	Nov. 2023	Nov. 2024	Apr - Nov. 2023-24	Apr-Nov. 2024-25	Apr-Nov. 2024-25
General	141.1	148.4	143.4	149.3	401%
Textiles	102.7	106.6	107.2	108.1	0.8 %
Wearing Apparel	92.9	100.2	102.4	110.4	7.8 %

2. As per Office of Textile Commissioner, the estimated production of Man-made fibre, filament yarn, cotton yarn and blended and 100% non-cotton yarn during April-November, 2024-25 have been as under:

**Figures in Million Kgs.**

Period	MMF Fibre	MMF Fil. Yarn	Cotton Yarn	Non cotton & Blended Yarn	Total Yarn
2019-20	1,898	1,688	3,962	1,702	5,664
2020-21	1,610	1,326	3,625	1,521	5,146
2021-22	2,160	2,016	4,075	1,758	5,833
2022-23	2,152	1,904	3,438	1,746	5,184
2023-24	1,987	1,702	3,756	1,725	5,481
2024-25	1,368	1,219	2,491	1,178	3,668
<b>Apr. -Nov.</b>					
2023-24	1,319	1,117	2,501	1,151	3,652
<b>Apr. Nov.</b>					
<b>Variation%</b>	<b>3.70</b>	<b>9.98</b>	<b>-0.43</b>	<b>2.321</b>	<b>0.43</b>

3. Confederation of Indian Textile Industry (CITI) said in its pre-Budget memorandum to the Finance Ministry, The Quality Control Order (QCO) on key input materials for the domestic textile industry is harming jobs due to the declining competitiveness of the downstream industry and is acting as a barrier to accessing raw materials. The Indian cotton industry is importing specialized varieties of cotton—such as contamination-free, organic cotton, and sustainable cotton—that are not available domestically. The QCO blocks the import and sale of items that do not bear a Bureau of Indian Standards (BIS) mark.

4. The Centre may have put on hold a proposal to expand to garments the Production-Linked Incentive (PLI) Scheme for textiles, as looks to priorities utilization in the existing plans, as reported by Money Control. The PLI scheme for textiles has been one of the laggards among the 14 sectors covered under the flagship scheme aimed at encouraging manufacturing to reduce import dependence. There is no consensus on this. The thinking is to not tweak the existing scheme too much and focus on a pick-up in utilization. If tweaking or expanding schemes is kept open, there may be a flurry of requests for similar PLI schemes and it should not be repeated in every sector.

5. As per a recent report from the Apparel Impact Institute (AII) and Development Finance International Inc. (DFI) - Climate Change, led by the United Nation., the Charter aims to reduce absolute emissions by 50 % by 2030, requiring a combination of renewable energy and energy efficiency initiatives.

6. The Indian denim market has experienced tremendous growth in recent years, with an annual growth rate of 8 to 9 %. Multiple market studies and projections suggest the market is set to touch \$9.15 billion by 2026, a rise of \$3 billion from \$6.15 billion recorded in 2022-23. This steady growth is driven by several factors, making the market both challenging and full of opportunities.

7. The rapid development of the textile industry across the Country is primarily driven by high-speed and modern technology machines imported from abroad. Currently, no company in our country manufactures advanced technology machines, as such the Federation of Gujarat Weavers Welfare Association (FOGWWA) has requested the union Textile Ministry to postpone the BIS implementation in textile machinery until March, 2027.

constituting 42% of the export basket, followed by raw materials/semi-finished materials at 34% and finished non apparel goods at 30%. Europe and the US consumed nearly 66% of India's apparel exports, 58% of finished non-apparel goods and 12% of raw materials/semi-finished materials. Other prominent destinations include the UK (8%) and the UAE (7%). The Survey points out that textile exports remained resilient throughout the COVID-19 period (2020 to 2022).

Government programs like PM MITRA through creating textile parks with world-class plug-and-play infrastructure would support integrated supply chains, and also attract foreign direct investments into the textile sector. It adds that as MMF products require heavy research and development suited to different use cases, the National Technical Textiles Mission (NTTM) has been approved with an outlay of Rs. 1,480 crore with research as a key component. During 2024, 168 research projects have been approved under the NTTM mission. It adds that Scheme for Rebate of State and Central Taxes and Levies has also been extended up to 31 March, 2026 to encourage exports. India's textile sector has several tail winds working in its favour that augur well for the sector.

## BUDGET PROPOSALS: 2025-26

**(Relating to Textile & Apparel Industry)**

- Basic Customs duty on Knitted fabrics covered under 9 tariff lines (60041000, 60049000, 60062200, 60063100, 60063200, 60063300, 60063400, 60064200 and 60069000 revised to 20% or 115 per kg, whichever is higher.
- To boost production and productivity of cotton especially extra-long staple cotton, Cotton Technology Mission for 5 years announced. Allocation for 2025-25 Rs. 500 crore.
- Shuttle less loom Rapier looms (below 650 meters per minute) and Shuttle less looms, Air Jet looms (below 1000 meters per minute) for use in textile industry added to the list of Textile Machinery that are fully exempted from duty.
- The time limit for the end-use of imported inputs in the relevant rules, from six months to one year have been extended.
- Investment limit for MSMEs to be raised to 2.5 times. Turnover limit also to be doubled.
- Five national skilling centers to be setup in partnership with manufacturing.
- Credit guarantee cover for MSMEs to be enhanced.
- The allocation for various Schemes of Textile Ministry in the Budget made as under:

**Rs. in crore**

Scheme	2024-25	2025-26
National Technical Textile Mission	250.00	370.00
Integrated Scheme for Skill Development	331.00	330.00
Textile Cluster Development Scheme	50.00	100.00
PM MITRA Park Scheme	44.00	300.00
ATUFS	390.00	635.00
Integrated Processing Development	15.00	15.00
Production Linked Incentive Scheme	45.00	1148.00

## ECONOMIC SURVEY 2025

In its assessment of the textile sector, the Economic Survey 2025 highlights that India is the sixth largest exporter of textiles and apparel globally, contributing significantly to the Gross Domestic Product of the country, industrial production and exports. The sector is also one of the largest employment generators, with over 45 million people employed directly, including many women and the rural population. As further evidence of the inclusive nature of this sector, nearly 80 % of its capacity is spread across Micro, Small and Medium Enterprises (MSME) clusters in the country.

India exported textile items worth USD 34 billion in 2023, with apparel