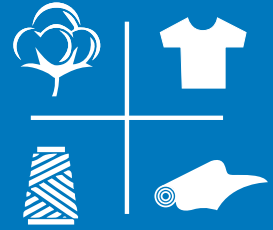


M. P. TEXTILE NEWSLETTER

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

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ASSOCIATION NEWS

1. The Annual General Meeting of the Association was held on 20th December, 2024 and the Members unanimously elected the following Office Bearers for the next term:

- **Chairman** - **Shri Shreyaskar Chaudhary,**
Mg. Director, Pratibha Syntex Limited, Pithampur.
- **Vice Chairman** - **Shri Siddharth Agrawal,**
Mg. Director, Sagar Manufacturers Pvt. Ltd., Tamot.
- **Dy. Chairman** - **Shri Subhash Jain,**
Director, Prem Textiles (Inter.) Pvt. Ltd., Indore.
- **Dy. Chairman** - **Shri Tarun Baldua,**
President, Maral Overseas Limited, Maralsarover.

Congratulations.

2. On 29th December, 2024, the Hon'ble Textile Minister, Shri Giriraj Singh was on visit to Indore. He was welcomed by our Chairman, Shri Shreyaskar Chaudhary by offering a shawl. The other Members present included Dy. Chairman, Shri Tarun Baldua, Shri T. C. Gupta and Shri Rajiv Angra from Vardhman, Shri Sarvapriya Bansal from Mohini Health and the Secretary Shri MC Rawat.



A Memorandum was presented to the Hon'ble Minister, which included the following issues:

- Issues relating to PM Mitra Textile Park;
- Plug and Play Cluster Concept with Skill Development Centre;
- Issues relating to PLI Scheme;
- Introduction of PLI Scheme for Cotton Sector;
- Notification of New Technology Upgradation Scheme;
- Continuation of Interest Equalization Scheme;
- Rationalization of Duty Drawback Rates;
- Review of RoDTEP Rates;
- Issues relating to GST;
- Simplification of Electricity Laws;
- Renewable Energy issues;
- Removal of Custom Duty on Import of Cotton;
- Need for Cotton Price Stabilization Fund;
- Reduction of Hank Yarn Obligation;
- Need for new Cotton Seed Development;
- Subsidize contamination sorter at Ginning;
- Issues relating to Investigation by US based NGO in Cotton Farms.

The Hon'ble Minister assured to look in to the issues.

RAW MATERIALS

1. As per USDA Report dated 10th December, 2024 for the 2024-25 World cotton balance sheet, production, consumption, and ending stocks are increased, while beginning stocks are reduced. World trade is marginally higher. World production for 2024-25 is increased 1.2 million bales to 117.4 million, largely the result of a 1 million-bale increase for India's crop. Larger crops also are projected for Argentina, Benin, and Brazil, while smaller crops are expected for Mali and Burkina Faso.



World consumption is raised by 570,000 bales due to increases in India, Pakistan, and Vietnam that more than offset a reduction for China. Projected exports are raised 80,000 bales as increases for Brazil, Benin, Cameroon, and Senegal more than offset reductions for Burkina Faso and Mali. Ending stocks are raised 267,000 bales as increases for Argentina, United States, and Pakistan more than offset reductions for Brazil. Beginning stocks are reduced by 428,000 bales, primarily due to a 500,000-bale reduction for India as its 2023-24 consumption is increased by 500,000 bales.



Production, etc.Mn. of 480 Pounds 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	117.39
Consumption	112.64	114.33	115.79
Export/Import	37.74	44.01	42.25
Closing Stock	75.90	74.16	76.02

2. As per USDA in 2024-25 cotton production is projected at 25.0 million bales, nearly 2% (400,000 bales) below last season, with declines in area offset slightly by an increase in yield. Harvested area is forecast at 11.8 million hectares (down 7%) as alternative crops were favored over cotton. India's yield is forecast at 461 kg per hectare, above last season and the 3-year average. India is expected to account for 21% of World production this season, down 1 % from 2023-24. India-the second largest cotton spinner-2024-25 mill use is forecast at 26.0 million bales, 500,000 bales above both the November forecast and the previous year. India is expected to account for 22 % of global mill use this season. Exports in 2024-25 are projected at 1.3 million bales, 1 million below last season as a smaller crop and higher mill use.

Mn. 480 Pounds Bales

	2022 - 23	2023 - 24	2024 - 25
Area Mn. Hectare	8.40	10.82	9.30
Opening Stock	26.30	25.40	25.00
Production	1.73	0.89	2.30
Consumption	24.50	25.50	26.00
Export/Import	1.10	2.31	1.30
Closing Stock	10.82	9.30	9.30

3. The Committee on Cotton Production and Consumption (CoCPC) in its meeting held on 28th November, 2024 estimated production of cotton for the cotton season 2024-25 and Estimated Balance Sheet, whereas the Cotton Association of India (CAI) released its report of estimates on 18th December, 2024. The comparison of State-wise production estimated by both the agencies are as under:

Production in lakh Bales

	2023-24		2024-25	
	CAI	CoCPC	CAI	CoCPC
Punjab	3.62	6.29	2.15	2.40
Haryana	13.30	15.09	10.85	10.23
Rajasthan	28.67	26.22	21.00	20.42
Gujarat	90.50	90.60	80.00	84.01
Maharashtra	92.71	80.45	90.00	84.80
M. P.	19.00	18.01	19.00	14.12
Telangana	35.00	50.80	36.00	48.95
A .P.	13.00	7.25	11.00	9.41
Karnataka	21.60	20.47	23.00	18.56
Tamil Nadu	4.25	2.78	4.00	1.09
Odisha	3.77	7.05	3.25	4.72
Others	2.00	0.21	2.00	0.55
Total	327.45	325.22	302.25	299.26

The comparative Balance Sheets of Cotton Drawn by both the agencies are as under:

Figures in lakh Bales

	2023 - 24		2024 - 25	
	CAI	CoCPC	CAI	CoCPC
SUPPLY:				
Opening Stock	28.90	61.16	30.19	47.10
Crop	327.45	325.22	302.25	299.26
Import	15.20	15.20	25.00	25.00
Total	371.55	401.58	357.44	371.36

DEMAND:				
Consumption:				
a.Non-MSME.	201.00	214.83	201.00	215.00
b. MSME	96.00	95.29	96.00	95.00
c.Non - Textile	16.00	16.00	16.00	16.00
Export	28.36	28.36	18.00	18.00
Total	341.36	354.48	331.00	344.00
Closing Stock	30.19	47.10	26.44	27.36

As per CAI Cotton arrivals till December end are 123.80 Lakh bales.

4. Due to declining international prices, cotton rates have hit a three-year low of Rs 53,500 per candy (356 kg).

5. The cotton imports have shown threefold jump in first two month of the season 2024-25 (October-November). Cotton imported till November, 2024 end stood at 9 lakh bales as against 3 lakh bales during the same period last season.

6. Kasturi Cotton, renowned as the finest Indian cotton, is pleased to announce a unique opportunity for textile industry participants to showcase their creations at Bharat Tex 2025, the premier event for the textile industry, scheduled from 14th to 17th February, 2025. The event promises to bring together international brands and buying houses, presenting an exceptional opportunity for manufacturers and designers to connect with key stakeholders in the global textile market.

7. In a recent meeting with Japanese apparel brand Uniqlo, has expressed a keen interest in advancing cotton production capabilities, productivity, and quality within India. As the World's largest cotton producer, cultivating over 11.9 million hectares, India provides an ideal landscape for such initiatives. India already utilizing high-density quality seeds in Akola, where productivity levels are up to 1,500 kg/hectare. The company's pilot project is also working on similar lines, where the productivity and quality levels are yielding up to 1,000 kg/hectare. The Ministry is committed to supporting Uniqlo's request for land to scale this initiative, reflecting a shared vision of making India a global hub for high quality cotton sourcing. Cotton production capabilities, productivity, and quality within India.

8. Better Cotton has signed a Memorandum of Understanding (MoU) with Cotton Textiles Export Promotion Council (TEXPROCIL) of India to promote quality, home-grown cotton globally. Collaboration with TEXPROCIL will help shine a spotlight on Indian cotton and its impressive credentials. It also creates the opportunity for companies to secure higher prices for the cotton they sell by aligning with both the Better Cotton and Kasturi Cotton standards. This collaboration unites two critical initiatives: sustainability and higher quality standards. Together, they will elevate Indian cotton and shape the future of cotton production in India.

9. The Reimagining Growth Landscape Analysis is a comprehensive report released by Textile Exchange, which examines the prevailing linear "take-make-waste" business model of the fashion, apparel, and textile industry, aiming to drive a shift away from unchecked resource consumption. The report highlights that the industry's current trajectory is incompatible with achieving key climate, nature, and human rights goals, with impacts only increasing while growth remains a business imperative. It calls on existing scientific and academic literature to provide a set of pathways to reimagine value creation beyond exponential increases in the extraction and production of new raw materials to create new products.

10. Globally the textile industry is in a demand slump, however, there are sectorial and price imbalances among different sectors from fiber to retail goods. Cotton Futures for March, 2025 delivery is trading at 69.17 cents, which has been in decline from 71.93 cents, since 29th November, 2024. There has been about ten cents decline in Futures since January 03, 2023, indicating weak demand for cotton. However, in the past twenty years, consumption of synthetics has grown exponentially amounting to about 65% in 2023, with cotton occupying 20% of total fiber consumption globally. Price competitiveness between polyester and cotton has been a big player in the increase in the consumption of polyester. Even with the crash of cotton prices, mills are not buying due to lack of demand for textile goods.

POWER

1.M P Power Management Company has advised DISCOMS to bill to the consumers Fuel & Power Purchase Adjustment Surcharge (FPPAS) @ minus (-) 0.55% on energy charges only for one month commencing from 24th December, 2024.





MANPOWER

1. Subscribers of Employees Provident Fund Organisation and Employees' State Insurance Corporation may soon be able to use the claim settlement amounts through e-wallets. Replying to a question on EPF withdrawal from ATMs, Secretary in the Ministry of Labour and Employment Ms. Sumita Dawra stated, "This is an area of great interest for the insured person, for a contributor. How can I withdraw my money more easily?" In cases of auto settlement... the money goes to the bank account and they in any case are able to withdraw it from the bank account, from any ATM presently.



2. In spite of so many extensions, it has been observed that more than 3.1 lakh Applications for Validation of Options / Joint Options for higher pension, to Employees Pension Scheme subscribers, are still pending with employers. Many representations have also been received from Employers and Employers' Associations wherein requests have been made to extend further time period for uploading wage details of applicant pensioners/members. Therefore, a final opportunity is being given by the EPFO to the employers till 31st January, 2025 to ensure that employers process and upload these pending Applications for Validation of Option / Joint Options.

LEGAL & TAXATION

1. The Union Environment Ministry has implemented new rules to address water pollution violations, effective 13th November, 2024. These Regulations follow amendments to the Water (Prevention and Control of Pollution) Act, shifting the focus from criminal penalties to financial ones to streamline enforcement and improve compliance. These new rules significantly impact industries that release pollutants, establishing a structured penalty process, while exempting non-polluting 'white' category industries from prior permissions, thereby encouraging environmentally friendly operations. The new rules outline procedures for handling inquiries and imposing penalties related to water pollution. Designated officers are empowered to manage complaints and adjudicate violations, aiming to enhance the efficiency of the enforcement process. Various authorities, including the Central Pollution Control Board and State Pollution Control Boards, can file complaints regarding water pollution.



2. Confederation of Indian Textile Industry (CITI) has flagged the persistent issue of an Inverted Duty Structure (IDS) in the Man-Made Fibre (MMF) segment, where varying GST rates across the value chain block working capital and stifle growth:

SEGMENT	COTTON	MMF
Fibre	5%	18%
Yarn	5%	12%
Fabrics (woven, knitted)	5%	5%
Garments*	5% or 12%	5% or 12%
Home Textiles & Made -ups *	5% or 12%	5% or 12%
	5% or 12%	5% or 12%

CITI reiterated its recommendations to reduce GST rates on raw materials such as PTA and MEG from 18% to 12%, which would ease the IDS issue in the MMF sector without impacting government revenues. CITI has raised concerns over the proposed GST rate revisions on ready-made garments, warning of potential far-reaching impacts on the textile industry, employment, and the overall economy.

EXPORT & IMPORT

1. The Central Government released the information relating to exports for the month of November, 2024 on 16th December, 2024. India's Textile and Apparel (T&A) exports continued to rise for the third



consecutive month in November, 2024, demonstrating sustainable export demand for Indian textiles and apparel. India may have benefitted from export orders diverted from Bangladesh. The information relating to textile and apparel exports is as under:

Exports	Value in US\$ Million		
	Apr. -Nov . 2023-24	Apr. -Nov . 2024-25	% Change
Cotton Yarn, Fabric, Made -ups, Handloom Products	7,732.15	7,863.32	1.70
MM Yarn, Fabric Made -ups, etc.	3,053.77	3,188.74	4.42
Jute Products	233.96	246.06	5.17
Carpets	914.96	1,015.31	10.97
Handicrafts, etc.	1,037.67	1,164.55	12.23
Textiles	12,972.51	13,477.98	3.90
Apparel	8,846.40	9,853.88	11.39
Textiles & Apparel	21,218.91	23,331.86	6.93
All Commodities	2,78,258.84	2,84,309.26	2.17
% Share of T & C	7.84	8.21	4.66

- During November, 2024, Textiles Exports increased to US\$ 1,489.47 Mn. registering a growth of 2.99% over November, 2023, while Apparel Exports increased to US\$ 2,610.82 Mn. registering a growth of 5.18% during the same time period.
 - Cumulative Exports of Textiles and Apparel during November, 2024 increased to US\$ 2,610.82 Mn. with a growth of 5.81% over November, 2023.
 - Share of T & A has increased to 8.13% in November, 2024 from 7.31% in November, 2023.
 - During April - November, 2024, Textiles Exports registered growth of 3.90% over the previous period, while Apparel Exports registered a growth of 11.39% during the same time period.
 - Cumulative Exports of Textiles and Apparel during April-November, 2024 have registered a growth of 6.93% as compared to April-November, 2023.
2. In November, 2024 import of raw cotton and waste increased by 457.76% from US\$ 30.61 Mn. in November, 2023 to US\$ 170.73 Mn. in November, 2024, whereas import of Textile yarn, fabrics, made-ups in November, 2024 increased by 15.91% from US\$ 193.66 Mn. in November, 2023 to US\$ 224.47 Mn. in November. The details of imports in April-November, 2024 as compared to the same months of the previous year are under:

Imports	Value in US\$ Million		
	Apr. - Nov., 2023-24	Apr. - Nov., 2024-25	% Change
Cotton Raw & Waste	469.33	775.83	65.31
Textile Yarn, Fabrics, Made -ups, etc.	1,546.80	1,631.50	5.48

3. India's exports of cotton textiles during April-September, 2024 have been as under:

Product	Quantity Mn. Kgs.		% Growth	Value Mn. US\$		% Growth
	2023-24	2024-25		2023-24	2024-25	
Fibre	195.97	205.83	5.03	393.82	383.86	-2.53
Yarn	609.15	560.95	-7.91	1932.35	1765.73	-8.62
Fabric Kgs...	30.91	36.19	17.10	175.78	196.77	11.94
Sq. Mtr.	1087.25	1076.04	-1.03	942.23	923.56	-1.98
Made -ups Kgs	183.51	191.26	4.22	1080.25	1158.56	7.25
Nos.	549.51	541.04	-1.54	1126.19	1154.00	2.47
Total				5650.62	5582.48	--1.21

4. India's apparel imports in September 2024 increased by about 16.8% compared to the same period of the previous year. Imports of knitted apparel have increased by about 14% while imports of woven apparel increased by 19.3% in September, 2024 as compared to September, 2023:

Figures in US\$ Mn.

Month	2020	2021	2022	2023	2024	% change 2024 to 2023
Jan	107.57	81.18	108.18	141.32	108.98	-22.9%-
Feb	81.31	82.58	111.01	136.15	115.29	15.3%-
March	57.34	73.55	125.96	121.33	98.65	18.7%-
April	35.44	68.33	120.49	107.92	90.66	16.0%
May	45.76	46.84	89.51	96.47	101.56	5.3%
June	50.95	68.96	127.73	117.36	104.15	-11.3%
July	88.46	94.78	159.92	124.81	124.4	-0.3%
Aug	65.83	110.75	200.19	169.27	160.65	-5.1%
Sept	89.17	150.01	214.24	159.14	185.89	16.8%
Octo	92.81	143.5	167.75	162.34		
Nov	88.74	120.32	141.96	118.02		
Dec	86.46	116.26	133.77	114.11		
Total (Jan-Sept)	621.83	776.98	1257.23	1173.77	1090.23	-7.1%
Total	889.84	1,157.06	1700.71	1568.24		

Source: DGCI&S

5. Data provided by Minister of State for Textiles, Shri Pabitra Margherita as part of a written reply provided to a question asked by Member of Parliament, Shri Primal Nathwani. states Compared to the \$17166 million worth of exports clocked in 2021-22, the quantum of cotton fabrics and made-ups exported from India during 2023-24 fell by 19 %, while cotton yarn saw a decline of 31 % the same year. The exports of raw cotton too declined by 60 %. However, the exports of other textile yarns and made-up during 2023-24 saw an increase of 12 %.

6. Shri Ashok Kumar Malhotra, Mission Director of the National Technical Textiles Mission (NTTM) told on 20th December, 2024 that the exports were worth Rs. 2,915 crore from April to November, 2024 compared to Rs. 2,345 crore during April - November last year. "India imports a lot of technical textile products. With increasing consumption, the domestic demand is growing. It is important to promote domestic production and ensure that imports do not increase. India is gaining on exports now, especially of products such as diapers and sanitary napkins"

7. Traditional sectors such as textiles and clothing lost ground. Their export share dropped sharply from 21.1 % in 2003-04 to 8 % in 2023-24. Volume increased from \$13.5 billion in 2003-04 to \$35.0 billion in 2023-24. Still, growth lagged behind other sectors due to competition from countries like Bangladesh and Vietnam.

8. The Confederation of Indian Textile Industry (CITI) has urged the Government to introduce schemes to drive investment and scale in the Textile and Apparel (T&A) industry to boost exports towards the US\$100 billion target by 2030. Markets like USA and EU will play a key role in achieving this ambitious target. Hence, there is a dire need for the Government to develop various export promotion initiatives to boost textile and apparel exports in these markets.

to 111.4 in October, 2024 showing an increase of 1.1%. The Wearing Apparel Index increased to 104.7 in October, 2024 from 97.8 in October, 2023 recording a growth of 7.1%. The details of IIP are as under:

Imports	For the Month		Cumulative		Growth
	Oct. 2023	Oct. 2024	Apr-Oct. 2023-24	Apr-Oct. 2024-25	Apr-Oct. 2024-25
General	144.9	149.9	143.7	149.4	4.0 %
Textiles	110.2	111.4	107.9	108.3	0.4 %
Wearing Apparel	97.8	104.7	103.8	111.8	7.7 %

2. A new study by Prof Sheng Lu and Research Assistant Gabriella Giolli of the University of Delaware has shed light on India's growing potential as a key apparel sourcing destination for US fashion companies. The study, which examined recent research and industry trends, found that India is well-positioned to capitalize on several factors, including its large and skilled workforce, vertically integrated textile industry, and Government support for the sector.

3. The Department of Handlooms, Handicrafts, Textiles and Khadi, Government of Tamil Nadu on 9th December, 2024, has allocated ₹500 crores for implementation of the 6% interest subvention scheme for textile mills that want to invest and upgrade technology. The working guidelines of the scheme say that 60% funding will be for ring frame spinners, 25% for open-end spinning, and 15% for air jet or electro spinning units. The 6% interest reimbursement will be applicable for five years or actual loan repayment period, whichever is lesser. All spindles or rotors that are more than 15 years old can be modernised under this scheme. A spinning mill can avail of benefits once and only for purchase of machinery and spares directly from the manufacturer.

4. Union Textile Minister, Shri Giriraj Singh on 29th December, 2024 during his visit to Indore said the proposed PM MITRA Park in Dhar will attract an investment of more than Rs 10,000 crore and generate one lakh employment opportunities. The PM MITRA Park in Dhar is amongst the seven textile parks being established across the country. The Park in the State is planned across approximately 1,563 acres in Bhainsola village in Dhar district.

5. The International Textile Manufacturers' Federation (ITMF's) 29th Global Textile Industry Survey (GTIS), conducted in the second half of November, 2024 reveals nuanced shifts within the global textile value chain, highlighting both challenges and resilience. While business sentiment has declined slightly over the past two months, long-term improvements have persisted since the low of November 2023. South America leads in regional performance with strong optimism, together with Africa. Order intake has improved globally, driven by gains in South America as well. Europe and the textile machinery segment experienced the weakest order intake. Inventory levels along the textile value chain continue to decrease worldwide, though variations exist, with Africa reporting the highest inventories and garments maintaining the lowest. Despite recent challenges, the industry remains optimistic about future business prospects, propelled by confidence among South American and African respondents.

6. Confederation of Indian Industry on 13th December, 2024, has recognized Northern India Textile Research Association as one of Top 5 Innovative Institutes in India.

STATE OF INDUSTRY

1. According to data released by the Ministry of Statistics and Programme Implementation (MoSPI) on 12th December, 2024, India's industrial output (General Index) in October, 2024 increased by 3.5% over October, 2023. The index for manufacture of textiles, which was 110.2 in October, 2023 increased

