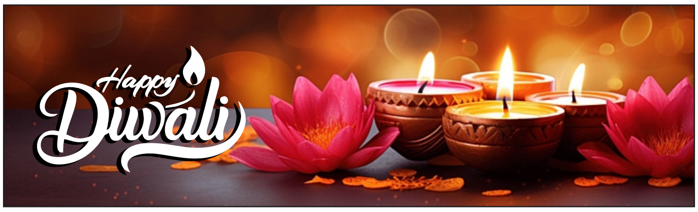
RNI No. MPENG/2005/16718
P.R.No.MP/IDC/1200/2025-27-Indore

M. P. TEXTILE NEWSLETTER

THE MONTHLY NEWSLETTER OF
THE MADHYA PRADESH TEXTILE MILLS ASSOCIATION

Volume XXI No. 03 | Indore, October 2025 • Pages 4 | Price Rs. 5/-



ASSOCIATION NEWS

1. On 8th September, 2025 we have submitted our suggestions to the Principal Secretary, Department of Labour and Labour Commissioner of the State for Decriminalization of Labour Laws and also Ease of Doing Business in respect of following labour laws:

- Apprentices Act, 1961
- Payment of Gratuity Act, 1972
- Factories Act, 1947
- Industrial Disputes Act, 1947
- Payment of Bonus Act,1965
- Contract Labour (Regulation & Abolition) Act, 1970
- MP Industrial Employment (Standing Orders) Act, 1961
- Payment of Wages Act, 1936
- Minimum Wages Act, 1948

2. It is a matter of great pride for us, for the first time in the history of 67 years of Confederation of Indian Textile Industry (earlier Indian Cotton Mills Federation), our Chairman Shri Shreyaskar Chaudhary, is elected as Vice Chairman of Confederation of Indian Textile Industry (CITI). He is Managing Director of Pratibha Syntex Ltd., a vertically integrated textile enterprise globally recognized for sustainability, innovation, and inclusive growth. Under Shri Chaudhary's leadership, Pratibha

has become a trusted partner for leading fashion brands, delivering high-quality yarns, fabrics, and garments while embedding responsibility across its value chain. He is a Textile Technology graduate from UMIST, Manchester (UK). Shri Chaudhary pioneered Project Vasudha in 1999, which has grown into India's largest organic cotton network, engaging over 30,000 farmers across 1,26,000 acres in Madhya Pradesh and Rajasthan. Shri Chaudhary has been instrumental in curating and implementing pioneering sustainability concepts such as WE, LOOP, ALLURE, Fair trade Apparel Production, Cradle to Cradle, Regenerative Organic Certification (ROC), ZDHC and Bluesign, many of which were among the earliest to be adopted in India and globally.

RAW MATERIALS

1. As per International Cotton Advisory Committee (ICAC) press release dated 2nd September, 2025 in 2025-26 cotton season, Cotton production estimates have decreased significantly since last month, dropping from 25.9 million tons to 25.5 million tons, while shifts in trade patterns and demands from retailers and brands are making cotton's origin increasingly important. The decrease in production is largely coming from three countries: the United States (-400,000 tons), Pakistan (-100,000 tons), and Sudan (-50,000 tons). Water shortages and unusually dry weather are the issues for the US and Pakistan, while Sudan's crop damage is the result of pest infestations. Although consumption and trade numbers are largely unchanged from last month, import and export partners are shifting. China accounted for 40% of US cotton exports in 2023-24,but that number has dropped to 8% as the US has increased its trade with Vietnam, Pakistan, Turkey, and India. Those changes — combined with a US executive order that allows products made from US raw materials to be exempted from import tariffs — mean textile manufacturers must provide traceability. Retailers and brands are increasingly demanding traceability as well. There are two other notable developments since last month:

- India's levels of cotton lint imports increased by nearly 3.3 times in 2024-25 compared to the prior season.
- Bangladesh and India are expected to increase their US imports.

2. As per USDA Report dated 12th September, 2025 Global cotton production in 2025-26 is projected at 117.7 million bales, 1 % (1.5 million bales) below the previous year. For 2025-26, cotton production prospects for most of the major producing countries are projected to remain unchanged or decline. The global decrease is primarily the result of reductions this season for the United States and Australia. While India and Pakistan remain unchanged in 2025-26, small increases for Brazil and China limit the global decline this season. World 2025-26 cotton harvested area is forecast at 29.5 million hectares (73.0 million acres), 2 % below the previous year. The 2025-26 global cotton yield is forecast at 867 kilograms (kgs) per hectare (773 pounds per acre), 8 % above the 5-year average and the highest on record. World cotton production remains concentrated among a few countries, with the top four countries (China, India, Brazil, and the United States) accounting for 75 % of total expected production in 2025-26, 1.5 percentage points above the previous season. China and India are expected to continue as the leading cotton producers in 2025-26, accounting for 28 % and 20%, respectively of the global total. World cotton mill use in 2025-26 is forecast at 118.8 million bales, 320,000 (0.3%) below 2024-25 but the second highest since 2020-21, when global mill use reached a record 124.5 million bales. Stable cotton fiber prices and steady world economic growth projections are expected to maintain global cotton mill use near last season's level. For the top six cotton-spinning countries—China, India, Pakistan, Bangladesh, Vietnam, and Turkey—mill use is projected to account for a combined 82 % of the world total in 2025-26, slightly below the last two seasons. Cotton mill use in 2025-26 is forecast to change marginally for each of the major countries.

Million 480 -Pound Bales

World	2023 -24	2024 -25	2025 -26
Opening Stock	75.83	73.34	74.06
Production	112.56	119.22	117.68
Consumption	114.95	119.15	118.83
Export/Import	44.36	42.71	43.70
Closing Stock	73.34	74.06	73.14

3. As per USDA, India's cotton production for 2025-26 cotton season estimated at 24.00 million 480 lbs. bales. Mill use in India is projected at 25.0 million bales for 2025-26, unchanged from the year before and sustained by India's cotton product exports. India is expected to account for 21 % of the world mill use total in 2025-26.

Million 480 -Pound Bales

India	2023 -24	2024 -25	2025 -26
Opening Stock	10.82	9.30	9.97
Production	25.40	24.00	24.00
Import	0.89	3.05	2.80
Consumption	25.50	25.00	25.00
Export/Import	2.31	1.38	1.30
Closing Stock	9.30	9.97	10.47

4. The Cotton Association of India (CAI) has released on 11th September, 2025 its latest estimate of the cotton pressing numbers for 2024-25 season, which began on 1st October 2024. Based on inputs received from its members, CAI has increased its cotton-pressing estimate for 2024-25 season by 1.00 lakh bales to 312.40 lakh bales of 170 kgs. each. The details of reported by CAI are as under:

	CAI		Change
	2023-24	2024-25	
Opening Stock	28.90	39.19	10.29
Cotton Pressing	327.45	312.40	-24.05
Import	15.20	41.00	23.80
Total Supply	**371.55**	**392.59**	**12.04**
MSME Consumption	96.00	89.00	-7.00
Non MSME Consumption	201.00	210.00	9.00
Non Textile Consumption	16.00	15.00	-1.00
Export	28.36	18.00	-10.36
Total Demand	**341.36**	**332.00**	**-9.36**
Closing Stock	30.19	60.59	30.40

5. According to the Ministry of Agriculture, cotton acreage stood at 109.98 lakh hectares as of 29th September, 2025, down by 2.97 % from 112.95 lakh hectares a year ago. Sowing has been completed, so this is the final acreage figure. The area was 123.71 lakh hectares in 2023–24 and averaged 129.50 lakh hectares over the past five years. Cotton sowing typically begins in May in north India and continues until the third week of September in central states.

6. Cotton Corporation of India (CCI) is to launch its annual procurement operations for seed cotton (kapas) under the MSP scheme for the 2025–26 season. The first phase will start on 1st October in the northern states of Punjab, Haryana, Rajasthan, and parts of western Uttar Pradesh, where the harvest typically begins earliest. Central states—Maharashtra, Madhya Pradesh, and Gujarat—will follow next, with operations expected to begin on 15th October, coinciding with peak arrivals. Lower cotton prices in the open market are expected to force farmers to sell to CCI. New cotton prices are reported at Rs. 5,420-5,430 (~$61.12–61.23) per maund of 37.2 kgs.in Punjab, Rs. 5,370-5,380 (~$60.56–60.67) in Haryana, and Rs.5,420-5,450 (~$61.12–61.46) in upper Rajasthan.

POWER

1. The M P Power Management Company has advised DISCOMs to bill to the consumers Fuel & Power Purchase Adjustment Surcharge (FPPAS)@ minus (-) 2.74 % on energy charges only for one month commencing from 24th September, 2025.

2. Madhya Pradesh has secured India's lowest-ever price for buying solar power backed by battery storage in a clean energy auction. CEIGALL India and ACME Solar won the tenders to supply clean power to Madhya Pradesh at Rs. 2.70 (about 3 U.S. cents) per kWh and Rs. 2.764 per kWh, respectively on 20th September, 2025.

MANPOWER

1. Employees Provident Fund Organisation now enables its Members to directly download Annexure K (for transfer of account from one employer to another) in PDF format from the Members' Portal itself. This brings the following benefits to Members:

- Ability to track status of transfer applications online, ensuring full transparency and allowing members to easily verify their PF transfers,
- Confirmation that PF balance and service period are correctly updated in the new account,
- Maintenance of a permanent digital record for future reference, especially important for EPS benefit calculations,
- Promoting ease of living, transparency, and trust in EPFO processes.

LEGAL & TAXATION

1. The revised GST rates (effective 22nd September, 2025) are as follows:

Particular	Old GST Rate	New GST Rate
MMF Fibre	18%	5%
MMF Filament/Yarn	12%	5%
Carpets	12%	5%
Certain labels, badges, braids, ornamental trimmings, embroidery, wall coverings, textile hose piping, handmade/hand embroidered shawls and certain types of specialized fabrics	12%	5%
Apparels (HSN 61 and 62) Made-ups (HSN 63, except for 2nd hand clothing)Cotton quilts	5% (sales Value≤Rs.1000) 12%(sales value>Rs.1000)	5% (sales value ≤ Rs.2500) 18% (sales value> Rs.2500
Sewing machines, other than book-sewing machine of heading 8440 and sewing needles	12%	5%
Cartons boxes, cases, sacks/rags of paper	12%	5%

HSN code-wise details of the new rates pertaining to T&A products (HSN 50 to 63) are available in Notifications dated 17th September, 2025. Further, the Council has also taken certain measures towards facilitation of trade, some of which are as under:

- The Council recommended amending section 54(6) of the CGST Act, 2017, to provide for sanction of 90% of refund claimed on provisional basis, in cases arising out of inverted duty structure, on similar lines as is presently available for refund in respect of zero-rated supply. It shall be operationalize by 1st November, 2025, after which such provisional refunds will be made within 7 days of filing (if applicable).
- The Central Government, exercising powers under clause (b) of sub-section (2) of section 1 of the Finance Act, 2025, appoints 1 October 2025 as the date on which clauses (ii) and (iii) of section 121, sections 122-124, and sections 126-134 of the Finance Act, 2025 will come into force.
- The Council recommended amendment to section 54(14) of the CGST Act, 2017 so as to remove the threshold limit for refunds arising out of exports made with payment of tax.

2. Ministry of Finance, through the Central Board of Indirect Taxes and Customs (CBIC), has issued Notification No. 55/2025-Customs (N.T.) dated 12 September 2025, introducing the Customs (Finalisation of Provisional Assessment) Regulations, 2025. These regulations supersede the 2018 rules and outline procedures for handling provisional assessments under the Customs Act, 1962. They apply to all pending and future provisional assessments and define timelines for submission of documents and completion of enquiries. Importers or exporters must provide requested documents within two months of requisition, with limited extensions allowed, though no extension may exceed 14 months

3. The Central Board of Indirect Taxes and Customs (CBIC) Circular on 12th September, 2025 clarifies that recipients need not reverse input tax credit, where suppliers issue financial or commercial credit notes, since such notes do not alter the original transaction value or tax liability. Post-sale discounts from a manufacturer to a dealer generally reduce the dealer's sale price and are not consideration for inducement of the dealer's supply to end customers, except where the manufacturer has a direct agreement with the end customer-in which case the discount must be included in overall consideration. Discounts are not payment for promotional services unless specific services and consideration are contractually agreed, in which case GST applies.

4. The Hon'ble President of GSTAT vide Order F. No. GSTAT/Pr. Bench/Portal/125/25-26 dated 24th September, 2025 has directed a staggered mode of filing appeals in order to avoid any portal related glitches due to excessive traffic. The staggering is done on the basis of date of order uploaded on the GST portal. The last date of filing appeal for orders issued up to 31st March, 2026 continues to be 30th June, 2026.

EXPORT & IMPORT

1. According to the quick estimates data released by the Ministry of Commerce & Industry on 15th September, 2025 India's textile and apparel exports contracted by 2.73% in August, 2025 compared to the same month last year, declining to $2,931.39 million from $3,013.76 million in August 2024.

- Exports of cotton yarn/fabrics/made-ups, handloom products etc. from India decreased by 2.32 % in August, 2025 over August, 2024.
- During April-August, 2025, cotton yarn/fabrics/made-ups, handloom products registered a negative growth of 0.62 %.
- During August,2025, Textiles Exports registered a negative growth of 2.79 % over the August, 2024, while Apparel Exports registered a negative growth of 2.65 % during the same time period.
- During April-August, 2025 Textile Exports registered a growth of 0.02% over the same period of previous year, while Apparel Exports registered a growth of 5.78 % during the same period.
- Overall T&A registered a growth of 2.52% during April-August, 2025.
  The information relating to textile and apparel exports during the period April-August, 2025 as compared to exports in same period of the previous year is as under

Value in US$ Million

Exports	Apr. - Aug. 2024-25	Apr. -Aug. 2025 -26	% Change
Cotton Yarn, Fabrics, Made-ups & Handloom Products	4,896.10	4,865.83	(-)0.62
MMF Yarn, Fabrics, Made - ups, etc.	1,990.31	1,994.99	0.24
Jute Products	146.18	160.28	9.65
Carpets	614.98	623.08	1.32
Handicrafts, etc	699.17	704.01	0.69
Textiles	**8,346.74**	**8,348.09**	**0.02**
Apparel	**6,395.99**	**6,765.72**	**5.78**
Textiles & Apparel	**14,742.73**	**15,113.91**	**2.52**
All Commodities	1,798,598.72	1,84,131.81	2.52
%Share of T & C	**8.21**	**8.21**	

2. India also witnessed a 21.32% rise in imports of cotton (raw and waste) in August,2025 compared to August 2024. During April–August 2025, imports of these products surged 48.75% year-on-year. The details of imports in April-August, 2025 as compared to the same period of previous year are as under:

Value in US$ Million

Imports	Apr. -Aug. 2024 -25	Apr. -Aug. 2025 -26	% Change
Cotton Raw & Waste	343.18	510.48	48.75
Textile Yarn, Fabrics, Made-ups, etc.	994.21	1,080.45	8.67

3. The Import of Textiles & Apparel by USA from its top suppliers during the period January to July, 2025 as compared to the same period of 2024 has been as under:

Value in US $ Billion

Country	2024	2025	Change%
Vietnam	8.84	10.41	17.70
China	14.00	11.21	(-)19.90
India	5.58	6.22	11.40
Bangladesh	4.22	5.11	21.10

Ongoing through the month wise details, the following conclusion are drawn:

- In July, 2025 imports from Vietnam and Bangladesh increased by 14.2% and 5.2 % respectively over July, 2024
- India's exports to US increased by 9.1% in July, 2025 compared to July, 2024.Our growth is much lower than Vietnam and Bangladesh.
- China's exports show a sharp decline of 34.6% in July, 2025 compared to July, 2024.

4. In a report by Care Edge Ratings, it has been stated that the immediate losses that India incurred owing to reciprocal tariffs on its textile exports by the US, might get balanced through exports to the UK, reinforced by the recent India-UK Free Trade Agreement (FTA). It also avers that the FTA deal with the EU might open new opportunities, redefining the strategic direction of India's textile trade. Moreover, the report confirmed that this FTA will create a level-playing field against the major competing countries for accessing the US $ 23 billion UK import market.

5. According to CRISIL, India's home textile sector could see revenues fall by 5–10% this fiscal year after the United States imposed 50% tariffs on 27th August, 2025.Exports to the US contribute nearly three-quarters of the industry's income, making the blow significant. The US's new tariffs will cause sharp revenue and profit decline as the discretionary nature of these products limits the ability of retailers to pass through the additional costs to consumers. The US accounts for about 60% of India's home textile exports and 50% of carpet shipments. The ready-made garments sector, which derives 10-15% of its revenue from exports to the US, risks losing its competitiveness against manufacturers in China and Vietnam.

6. The Remission of Duties & Taxes on Export Products (RoDTEP) Scheme has been extended and shall remain applicable to eligible exported from DTA, AA, SEZ, and EOU units up to 31st March, 2026.

STATE OF INDUSTRY

1. According to data released by the Ministry of Statistics and Programme Implementation (MoSPI) on 29th September, 2025, India's industrial production growth improved to 4.0 % in August, 2025. IIP for the manufacture of textiles was down by 1.5 % in August, 2025 as compared to August, 2024. IIP for wearing apparel was down by 5.3 % in August, 2025 as compared to same month of last year. The details of IIP for the period April-August, 2025-26 as compared to those of same period of 2024-25 are as under:

Items	For the Month		Cumulative		Growth
	Aug. 2024	Aug. 2025	Apr-Aug 2024-25	Apr-Aug 2025-26	Apr-Aug 2025-26
General	145.8	151.7	149.9	154.1	2.8%
Textiles	109.4	107.8	107.4	106.5	(-)0.8%
Wear ing Apparel	112.5	106.5	115.1	117.5	2.1%

2. The next-generation GST reforms mark a historic leap forward for India's textile sector, serving as a catalyst for the country's journey towards becoming a $350 billion textile economy by 2030. According to the Ministry of Textiles, the landmark measures are expected to reduce costs, remove structural anomalies, sustain jobs, and strengthen the entire textile value chain—from fibre to fashion to foreign markets. The reforms are aligned with the Prime Minister's 5F formula (Farm to Fibre to Factory to Fashion to Foreign), which aims to position India as a global textile powerhouse. GST rationalisation in textiles will remove distortions, lower production costs, boost demand, support exports, and enhance India's global competitiveness. The Government said the reforms will correct anomalies at the fibre stage, reduce costs at the yarn and fabric stages, improve garment affordability, revive demand at the retail stage, and enhance export competitiveness. They will also provide a strong push to India's fibre-neutral policy, ensuring balanced growth across both cotton and man-made segments.

3. ICRA stated, "Lower exports and pressure on pricing are likely to contract industry operating margins by 200–300 basis points in 2025-2026, impact could be steeper for entities with higher concentration on the US market. The agency forecasted a 6–9 % drop in apparel export revenues in 2025-26, if the tariffs persist, despite support from UK FTA and diversion of shipments to other markets. Operating profit margins are expected to decline to around 7.5% to 10% in financial year 2025-26, reflecting weaker second-half performance and reduced operational efficiency.

4. Hon'ble Prime Minister Shri Narendra Modi visited Bhainsola village in Madhya Pradesh's Dhar district on Tuesday, 17th September, 2025 to lay foundation of the country's first and biggest Greenfield Integrated PM MITRA Park, spread across 2,158 acres. The Prime Minister stated that this park will infuse new energy into the country's textile industry. He emphasized that farmers will receive fair value for their produce and a large number of youth will gain employment opportunities. He extended his congratulations to all citizens for these projects and campaigns. As per Sate Government reports, applications from 91 companies/units for allocation of 1,294 acres of land have been recommended. The proposals of approved companies alone amount to investment exceeding Rs. 20,000 crore, which will generate over 72,000 direct jobs.

5. As per reports, Indian garment exporters are increasingly relocating their production to East African nations, with prominent companies like Gokaldas Exports and Raymond Lifestyle leading the charge. This strategic shift is a direct response to recent changes in global trade policies, most notably the imposition of high tariffs by the United States on goods from India.

6. On 18th September, 2025 at the Meeting of Confederation of Indian Textile Industry (CITI) Shri Ashwin Chandra was elected as Chairman, Shri Dinesh Nolkha as Dy. Chairman and Shri Shreyaskar Choudhary (Our Chairman) as Vice Chairman.

7. The Committee of the Southern India Mills Association (SIMA) has appointed Shri Durai Palanisamy as Chairman, Shri K Krishnakumar, as Dy. Chairman and Shri K Sivaraj, as Vice Chairman for the year 2025-26.

8. At the 46th Annual General Meeting of Indian Cotton Federation (ICF), Coimbatore held on 28th September, 2025 Shri J. Tulsidharan was elected as President, both Shri P. Nataraj and Shri Aditya Krishan Pathy as Vice Chairman and Shri Nishanth Asher as Hon. Secretary for the year 2025-26.

For Address

Edited, Printed and Published by M.C. Rawat, Secretary, The Madhya Pradesh Textile Mills Association, for and on behalf of The Madhya Pradesh Textile Mills Association, from 56/1, South Tukoganj, Jall Sabhagraha, Indore - 452 001. Phone : 2518148
E-mail : mptma1932@gmail.com • Website : www.mptma.in