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M. P. TEXTILE NEWSLETTER

THE MONTHLY NEWSLETTER OF
THE MADHYA PRADESH TEXTILE MILLS ASSOCIATION

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Happy INDEPENDENCE Day

ASSOCIATION NEWS

1. Maral Overseas Limited (our Member) has established a state-of-the-art Mélange facility at its Maral Sarovar unit. This enables company to spun counts Ne 24s and Ne 30s and to seamlessly switch between colour effects, compositions and counts without compromising productivity, while maximizing value at every stage. Congratulations.

2. Vardhman Fabrics (our Member) was awarded 1st Runner-up CITI-BIRLA Economic & Textile Research Foundation Award for Effective Chemical Management & Compliance in Textile Wet Processing on 16th July, 2026 at the hands of Hon'ble Minister of State for Textiles, Shri Pabitra Margherita at Bharat-Tex 2026. Congratulations.

RAW MATERIALS

1. As per International Cotton Advisory Committee (ICAC) release of 1st July, 2026, global cotton production for the 2025-26 season is estimated at 26.5 million tons, up 3% from the previous season, while consumption is projected to reach 25.3 million tons, an increase of 1.6%. Looking ahead to 2026-27, global production is forecast to decline slightly by 2% to 25.9 million tons, while consumption is expected to continue growing, rising approximately 1% to 25.5 million tons. Global cotton trade is projected to increase by 2.6% to 9.6 million tons.

Based on current supply and demand projections, the Secretariat forecasts the Cotlook A Index for the 2026-27 season to range between 66 and 85 cents per pound, with a midpoint of 75.7 cents per pound.

2. As per USDA press release dated 11th July, 2026, World cotton supply for 2026-27 is raised 300,000 bales as higher production more than offsets a reduction in beginning stocks. The forecast for global cotton production is raised 1.2 million bales to 117.3 million with bigger crops expected for Brazil, the United States, Turkey, and Central Asia. Consumption is raised slightly to 122.0 million bales with an increase in Vietnam mill use slightly offset by a small reduction for Azerbaijan. Trade is virtually unchanged from last month at 43.3 million bales. With the increase in global supplies exceeding the growth in consumption, ending stocks for 2026-27 are increased slightly to 71.2 million bales, resulting in a stocks-to-use ratio of 58.4 %. For 2025-26, world production is lowered by 750,000 bales following a like reduction for Brazil. Global consumption is reduced modestly to 120.0 million bales as a reduction for Pakistan more than offsets an increase for Vietnam, with small changes elsewhere. Exports are raised 1 %, primarily on higher shipments by Brazil, and small changes for a few other countries. Ending stocks are reduced by about 900,000 bales, mostly due to the smaller Brazilian crop, lowering the stocks-to-use ratio to 63.1%.

Quantity -Million 480-Pound Bales

World	2024-25	2025-26	2026-27
Opening Stock	73.45	74.52	75.72
Production	119.34	121.91	117.26
Consumption	119.11	119.85	121.95
Export/Import	42.43	44.94	43.34
Closing Stock	74.52	75.72	71.2

3. As per UDSA report dated 12th May, 2026 production in India is forecast at 24.0 million bales for 2026-27, about 1 % above 2025-26, with an increase in harvested area more than offsetting a decline in yield. Harvested area is forecast at 11.5 million hectares, an increase of 300,000 hectares (3%) from 2025-26, while yield is expected to decline 2 % (9 kg per hectare) to 454 kg per hectare due to below-average monsoon rains. India's cotton mill use is forecast to increase 2 % (500,000 bales) to 26.0 million bales and contribute 21 % of the global cotton total in 2026-27. Mill use in India is projected to rise after 3 consecutive years at 25.5 million bales, with the 2026-27 level forecast to equal the record set in 2020-21. India is projected to import only 2.5 million bales of cotton in 2026-27, compared with 4.6 million bales during the previous year.

4. At its Meeting held on 27th July, 2026, Cotton Association of India has increased its cotton pressing estimate for the 2025-26 season by 3 lakh bales to 337 lakh bales of 170 kg each, with a variation of plus or minus 3%. The CoCPC in its Meeting held on 28th July, 2026 kept the cotton production estimate at 290.24 lakh bales.

5. The Office of Textile Commissioner on 27th July, 2026 announced Minimum Support Price (MSP) of different varieties of cotton for the season 2026-27 (October-September), which are as under:

Class	Staple Length (mm)	Minimum Support Price in Rs/Qtl.	
		2026-27	2025-26
Short Staple	20 & below	7,767	7,210
Medium Staple	21.5-22.5	8,017	7,460
	21.5-23.5	8,067	7,510
	23.5-24.5	8,117	7,560
Medium Long Staple	24.5-25.5	8,267	7,710
	26.0-26.5	8,367	7,810
	26.5-27.0	8,417	7,860

Long Staple	27.5-28.5	8,567	8,010
	27.5-29.0	8,617	8,060
	29.5-30.5	8,667	8,110
Extra Long Staple	32.5-33.5	8,867	8,310
	34.0-36.0	9,067	8,510
	37.0-39.0	9,867	9,310

POWER

The M P Power Management Company has advised DISCOMs to bill to the consumers Fuel & Power Purchase Adjustment Surcharge (FPPAS) @ 3.77 % on energy charges only for one month commencing from 24th July, 2026.

MANPOWER

1. The Ministry of Labour & Employment has in exercise of the powers conferred by clause (c) of sub-section (1) of section 15 of the Code on Social Security notified on 29th June, 2026, the following;

- Employees' Provident Fund Scheme, 2026
- Employees' Pension Scheme, 2026
- Employees' Deposit Linked Insurance Scheme, 2026.

These Scheme are effective from date of publication i.e. 29th June, 2026.

2. The Employees Provident Organization(EPFO) has advised its offices to credit interest @8.25% to the account of each Member for the financial year 2025-26.

3. The EPFO has circulated three schemes:

- Employees' Enrolment Compaign-2026 to enroll employees left out from enrolment during the period September, 2009 to March, 2026.
- Amnesty 2026 for regularization of exemption status trusts.
- Vishwas-2026 for amicable settlement of disputes relating to damages.

LEGAL & TAXATION

1. On 7th July, 2026,the Madras High Court ordered fresh consideration of Integrated Goods and Services Tax (IGST) refund, which was denied solely for higher duty drawback claim based on an invalid circular No. 37/2018 dated 9th October, 2018 issued by the CBIC. As per the Petition filed by M/s. Fives Call - KCP Ltd, the customs authorities rejected their claim for IGST refund of Rs. 1,15,54,943, along with interest. The Court noted that the Gujarat High Court had struck down the Circular on the ground that it was inconsistent with the statutory provisions governing IGST refunds and the applicable Rules framed under the GST and Customs laws.

2. The Supreme Court of India has on 21st July, 2026 dismissed Revenue Department's appeal filed against the Gujarat High Court decision, wherein the High Court had held that assignment of leasehold rights of the plot of land allotted on lease by Gujarat Industrial Development Corporation (GIDC) and building constructed thereon by the lessee or its successor (assignor) to a third party (assignee) on payment of lump-sum consideration is not liable to GST. (Union of India and Anr. v. Gujarat Chamber of Commerce and Industry and Ors.)

EXPORT & IMPORT

1. The Ministry of Commerce released information relating to exports for June, 2026 on 13th July, 2026. Apparel exports drag India's textile and clothing exports despite growth in textile shipments.

- During June, 2026, Indian Textiles exports registered a growth of 9.64% over the previous year, while Apparel exports registered a significant de-growth of 11.25% during the same time period.

- Cumulative Exports of Textiles and Apparel during June, 2026 have registered a growth of 0.21% over June, 2025.
- During April-June, 2026, Indian Textiles exports registered a growth of 5.19% over the previous period, while Apparel exports registered a de- growth of 12.44% during the same time.
- Cumulative Exports of Textiles and Apparel during Apr-June, 2026 registered a de-growth of 2.95% as compared to April-June, 2025.

The details of textile and apparel exports during the months of April-June, 2026 as compared to exports in April-June, 2025 are as under:

Value in US$ Million

Exports	April-June, 2025-26	April-June, 2026-27	% Change
Cotton Yarn, Fabrics, Made-ups & Handloom Products	2,859.93	2,965.94	3.71
MMF Yarn, Fabrics, Made-ups, etc.	1,166.80	1,179.39	1.08
Jute Products	93.75	81.19	(-)13.40
Carpets	370.84	374.24	0.92
Handicrafts, etc	398.47	542.84	36.23
Textiles	**4,889.79**	**5,143.60**	**5.19**
Apparel	**4,192.52**	**3,670.95**	**12.44**
Textiles & Apparel	**9,082.31**	**8,814.55**	**(-)2.95**
All Commodities	1,11,566.21	1,29,323.57	15.92
% Share of T & C	**8.14**	**6.82**	3.71

2. Imports of cotton (raw and waste) increased by 151.02% in June, 2026 compared to June, 2025. Imports of Textile yarn, Fabric, Made-ups also increased by 4.93 % in June, 2026. The details of imports in April-June, 2026 as compared to the same months of previous year are as under:

Value in US$ Million

Imports	April - June, 2025-26	April - June, 2026 - 27	% Change
Cotton Raw & Waste	262.92	413.13	57.13
Textile Yarn, Fabrics, Made-ups, etc.	619.89	607.64	(-)1.98

3. China's textile and apparel exports stood at US$ 292.02 billion in 2025 registering a marginal decline of 1.06% CAGR. US remained the largest export destination with 15.08% share followed by EU-27 with 13.83% and Vietnam with 6.25%. Apparel exports continue to dominate china's textile and apparel exports, accounting for 49.9% followed by fabric at 27.98% and Home Textiles at 8.17%.

Value in US$ Million

Items	2022	2023	2024	2025	% Share
Fibre	3.83	3.42	3.36	3.66	1.25
Filament	9.20	8.88	9.02	9.22	3.16
Yarn	5.83	4.83	5.11	5.48	1.88
Fabric	83.41	76.13	80.97	81.72	27.98
Apparel	167.82	153.91	153.19	145.68	49.89
Home Textiles	23.12	23.10	23.98	23.85	8.17
Others	26.49	22.36	23.39	22.41	7.67
Total	**319.70**	**292.63**	**299.02**	**292.02**	**100.00**

The country wise exports of Textile and apparel products from China have been as under:

Value in US$ Million

Country	2022	2023	2024	2025	% Share
USA	51.95	45.93	49.41	44.04	15.08
EU-27	46.52	38.17	39.73	40.38	13.83
Vietnam	19.21	18.00	18.98	18.26	6.25
Japan	19.56	16.75	15.35	15.52	5.31
Bangladesh	9.37	7.62	9.22	9.20	3.15
Korea	9.96	9.84	9.55	8.82	3.02
UK	7.40	6.64	6.89	7.09	2.43
Germany	8.61	6.58	6.76	6.94	2.38
Cambodia	4.70	4.42	5.87	6.72	2.30
Kyrgyzstan	8.10	8.08	6.99	6.70	2.29
Others	134.33	130.61	130.28	128.34	43.95
World	**319.70**	**292.63**	**299.02**	**292.02**	**100.00**

5. On 1st July, 2026 the Director General of Foreign Trade (DGFT) issued amendments to Guidelines for Trade Regulations, Accreditation and Compliance Enablement under Export Promotion Mission (EPM)- Niryat Disha.

6. Ministry of Finance, Department of Revenue issued Circular No. 30/2026 –Customs dated 3rd July, 2026 regarding grant of Drawback. CBIC has clarified that if the import duty was paid using a Duty Credit Scrip, any eligible Customs Drawback (under Section 74) or Customs refund (under Section 27) will not be paid in cash. Instead, the benefit will be given as re-credit of the Duty Credit Scrip or by issuance of a Re-credit Certificate, as applicable.

7. The Department of Revenue issued Notification No. 62/2026-Customs (N.T.) dated 3rd July, 2026, notifying the Rules of Origin under the India–UK Comprehensive Economic and Trade Agreement (CETA). It will be effective from 15th July, 2026.Key highlights of the Notification are:

- Duty benefits for eligible exports to the UK
- Clear origin criteria for cotton textiles and other products
- Certification and compliance procedures prescribed
- Greater market access for Indian textile exporter.

8. The Department of Revenue issued a Circular on 13th July, 2026 regarding Implementation of self-certification of Origin Declarations under the India-United Kingdom Comprehensive Economic and Trade Agreement (India-UK CETA).

9. The DGFT issued a Trade Notice on 14th July, 2026 regarding Clarifications on Interest Subvention Support for Pre- and Post -Shipment Export Credit under Export Promotion Mission (EPM) - Niryat Protsahan

10. Through a Trade Notice dated 13th July, 2026, the DGFT inserted a paragraph in the Handbook of Procedures of the Foreign Trade Policy (FTP) that empowers it to launch an investigation on its own or on receipt of complaint to determine whether goods imported into India have been produced fully or partially with forced labour.

11. India's textile exporters could unlock more than $1.5 billion in additional annual exports to the United Kingdom over the medium term as the Comprehensive Economic and Trade Agreement (CETA) between the two nations removes a long-standing tariff disadvantage against key competitors such as China, Bangladesh, Vietnam, Pakistan and Cambodia. The UK imported $26 billion worth of textiles and apparel in calendar year 2025. China dominated the market with $6.8 billion of exports, followed by Bangladesh at $4.8 billion, Türkiye at $1.8 billion, India and Pakistan at $1.7 billion each, and Vietnam and Cambodia at $1.3 billion each.

12. The United States of America imposed w.e.f 24th July, 2026 additional 10 % tariff on goods imported from India and 16 other countries as part of a wider action against products made using forced labour. What could raise a serious challenge for Indian textile and apparel exporters is the fact that although many key competitors of ours have also been subject to the same tariff rate, Indian textile and apparel exports have not received tariff-rate quota (TRQ) exemptions under the Section 301 tariffs, which were awarded to the likes of Bangladesh, Cambodia, Indonesia, and Malaysia,

STATE OF INDUSTRY

1. The Ministry of Statistics and Programme Implementation (MoSPI) released the All India Index of Industrial Production (IIP) for June, 2026 with base year 2022–23 on 28th July, 2026. The IIP growth rate for the month of June, 2026 is 7.8% as compared to June, 2025:

Items	For the Month		Cumulative		Growth
	June, 2025	June, 2026	Apr.-June 2025-26	Apr.-June 2026-27	Jun. 2026 %
All India (Mfg.)	114.4	123.3	114.2	212.4	7.8
Textiles	120.0	136.4	119.2	136.3	14.3
Wearing Apparel	102.7	95.6	101.3	93.8	- 7.4

2. The Confederation of Indian Textile Industry (CITI) and the European Apparel and Textile Confederation (EURATEX) have come together to establish a bilateral industry platform to support the effective and balanced implementation of the India–EU Free Trade Agreement (FTA) for the textile and apparel sector. The CITI-EURATEX initiative – the EU-India Textile and Apparel Dialogue (TAD) – will provide a structured forum for dialogue between industry representatives to promote reciprocal market access, resilient value chain, industrial competitiveness and sustainable growth.

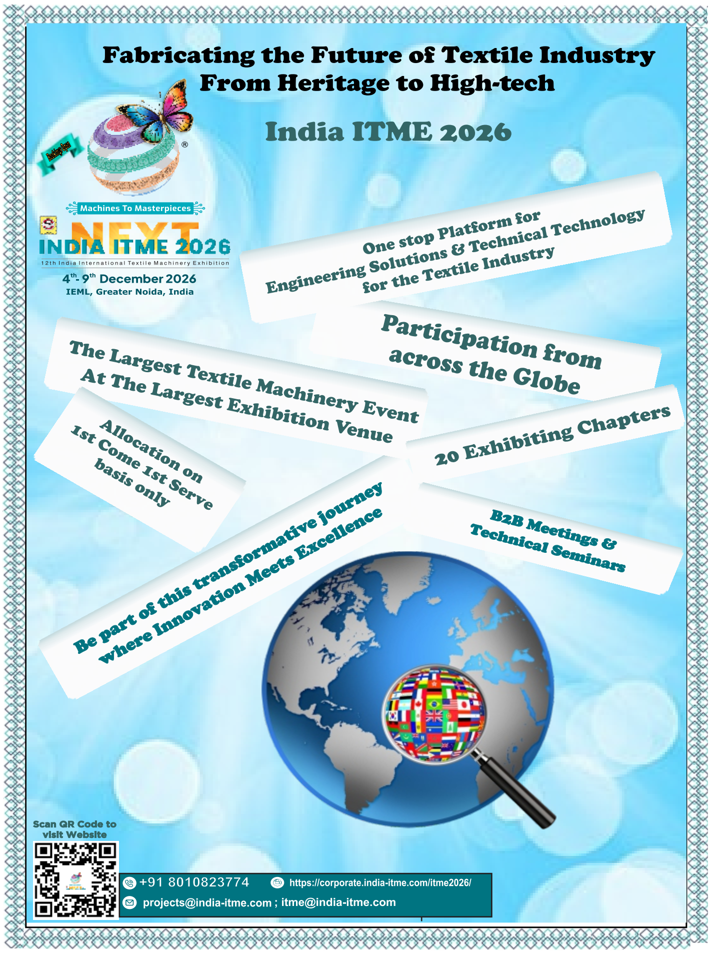
3. Minister of Textiles, Shri Giriraj Singh unveiled on 16th July, 2026, a Report, India Textiles & Apparel CXO Blueprint 2030', jointly prepared by the Clothing Manufacturers Association of India (CMAI) and the Global Alliance for Textile Sustainability (GATS), during Bharat Tex 2026. The Report outlines a strategic roadmap to help India's textile and apparel industry achieve its target of $100 billion in exports by 2030 by shifting its focus from cost to capability competitiveness. According to the report, India's textile and apparel exports have remained stagnant at around $40 billion for the past six years despite global trade growing at a much faster pace. India's exports have grown at only 0.8 % annually, compared with 3.5 % growth in global textile and apparel trade. Although India is the world's sixth-largest textile and apparel exporter, accounting for around 4.1 % of global trade, the advantages of signing of various FTAs, etc. for export growth, the following five strategic priorities will determine India's competitiveness position over the coming decade:

- Circularity;
- End to end Traceability;
- Product Diversification and Adoption; and
- Technology Adoption through AI, Automation and Digital Systems.

4. According to a Research Report by 360 One Capital:

- India's textile industry is entering a multi- year growth cycle driven by China+1 sourcing, supply chain diversification and new trade agreements.
- Success depends on scale, productivity, automation, compliance and diversification beyond cotton in to man-madefibres and technical textiles.
- India's apparel share 3% lags behind Bangladesh's 9-10% and Vietnam's 6-7%.
- Garmenting capacity, ecosystem competitiveness and sustainability are critical to capturing global share.
- Operational readiness will determine whether tariff advantages (FTAs) translate into sustained orders.

5. Madhya Pradesh sought a textile testing facility, a regional export promotion council office in Indore, new inland container depots (ICDs) in Jabalpur and Rewa, and inclusion of landlocked states in the Centre's LIFT scheme at the Board of Trade meeting chaired by Union Commerce and Industry Minister, Shri Piyush Goyal in New Delhi on 3rd July, 2026. Madhya Pradesh was committed to playing a leading role in helping India achieve its $2 trillion export target by 2030-31.



6. Chief Minister Dr. Mohan Yadav held one-to-one meetings with representatives of various countries and leading investors at Bharat Tex 2026 on 16th July, 2026. The state got the proposals from the following for investment in Textile & Apparel sector:

S. No.	Company	Sector	Proposed Investment (Rs. Crore)	Proposed Employment
1	Sanitt Textiles	Textile Recycling	100	100
2	Surge Spinners	Spinning	75	250
3	Bodycare Creations Ltd.	Innerwear Garments	75	1,000
4	Avantika & Aradhya	Garments	75	1,000
5	Sagar Group	Textiles & Garments	100	1,500
6	Eastman Exports	Textiles & Garments	100	2,000
7	Best Corp	Textiles & Garments	167	5,750
8	Gokaldas Exports	Textiles & Garments	150	2,500
9	AB Fabrics, Ludhiana	Textiles & Garments	250	600
10	Indo Accord Apparels	Textiles & Garments	500	1,000
	Total		**1592**	**15,700**

TEXTILES IN PARLIAMENT

Some of the important information given in the Parliament in reply to various questions raised by Members is as under:

1. Under the Production Linked Incentive Scheme (PLI) for Textiles, a total of 170 companies have been approved. As of 31st March, 2026, investment to the tune of Rs. 8,117.64 crores have been made by PLI companies and 33,427 new jobs have been generated (including Madhya Pradesh 22 companies, Investment Rs.658.45 crore and actual Employment 4,970).

2. Since its launch, a total of 31 start-ups have been approved under Grant for Research and Entrepreneurship across Aspiring Innovators in Technical Textiles (GREAT) Scheme at a total cost of Rs.15.40 crore of which Rs. 13.65 Crore is Government of India's share being assistance to young Innovators, scientists, technologists and start-up ventures in translating their ideas into commercial technologies and products. A sum of Rs. 9.20 crore has been approved for two Educational Institutes of Madhya Pradesh under GREAT under NTTM.

3. The Government has been facilitating a series of pilot projects across the country to raise awareness and build capacity on global best practices of sustainable production and consumption with focus on subjects such as:

- "Eliminating Hazardous Chemicals from Textile Fashion Supply Chain" in partnership with UNIDO and supported by Global Environment Facility (GEF);
- Transition of the Indian Textile Sector towards Circularity' (In-Tex India) being implemented in collaboration with UNEP, focuses on scaling circular business models by leveraging Life Cycle Assessment (LCA) and Product Environmental Footprint (PEF) methodologies.

4. India's exports of textiles and apparel, including handicrafts, stood at Rs. 3,25,339 crore in 2025–26, registering a growth of 4.7% over Rs. 2,97,004 crore in 2023–24,despite fluctuations in global demand, variations in input costs and other trade-related challenges. Exports of textiles and apparel, including handicrafts, from Madhya Pradesh stood at Rs. 11,751.7 crore in 2025–26, compared with Rs. 11,748.9 crore in 2024–25.

Export growth was recorded in over 100 countries. India's Exports to five major countries were as under:

Value Rs. in crore

Country	2023-24	2024-25	2025-26
USA	83,179	92,571	85,910
Bangladesh	23,340	27,845	24,445
UAE	16,720	18,252	20,775
UK	16,679	18,287	19,652
Germany	10,937	12,035	13,200
Rest of World	1,46,149	1,50,583	1,61,357
Total	**2,97,004**	**3,19,573**	**3,25,339**

For Address

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