

LETTER

CONFEDERATION OF INDIAN TEXTILE INDUSTRY

23rd
AUGUST
2024



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India's GDP expected to grow by 6.8% in FY25: ICRA

India's gross domestic product (GDP) is expected to grow by 6.8 per cent in fiscal 2024-25 (FY25), lower than 8.2 per cent in the last fiscal, according to ICRA.

The country's GDP growth slowed down to a six-quarter low of 6 per cent in the first quarter (Q1) of FY25 (April-June) from 7.8 per cent in Q4 FY24 amid a contraction in government capital expenditure and a dip in urban consumer demand, the credit rating agency recently said in a statement.

Growth in Q1 FY24 was 8.2 per cent.

Q1 FY25 saw a temporary lull in some sectors due to parliamentary elections and sluggish government capital expenditure at both the central and state levels, a news agency cited ICRA chief economist Aditi Nayar as saying.

The Reserve Bank of India's Consumer Confidence Survey revealed a 'surprising downtick' in urban consumer confidence, she said. Meanwhile, the lingering impact of last year's unfavourable monsoon and an uneven start to the 2024 monsoon prevented a broader improvement in rural sentiment.

Lower volume growth combined with diminishing gains from commodity prices weighed upon the profitability of some of the industrial sectors, she said.

"On balance, we foresee a transient moderation in India's GVA [gross value added] and GDP growth in Q1 FY25 to 5.7 per cent and 6 per cent respectively," she added.

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Giriraj Singh, Union Minister of Textiles, presented EPCH's Handicrafts Export Awards

The Export Promotion Council for Handicrafts (EPCH) organised its 24th Handicrafts Export Awards Function today at the Convention Hall, The Ashok Hotel, New Delhi. The gala evening was abuzz with top performing exporters from across the country, having gathered together for this grand occasion, along with Shri Dileep Baid, Chairman, EPCH; Dr. Rakesh Kumar, Chief Mentor in a role of Director General, EPCH and Chairman, India



Exposition Mart Ltd.; Dr. Neeraj Khanna, Vice Chairman and Shri Sagar Mehta, Vice Chairman, EPCH; Members of Committee of Administration-EPCH; Shri R K Verma, Executive Director, EPCH; Press & media. Indian handicraft exporters were felicitated with 123 trophies and merit certificates in various categories, for their outstanding performance during the years 2019-20 and 2020-21.

Shri Giriraj Singh, Hon'ble Union Minister of Textiles, Govt. of India, was the Chief Guest at the function and presented the awards in the presence of Guest of Honour Smt. Rachna Shah, IAS, Secretary, Ministry of Textiles, Govt. of India, in the august presence of Shri Rohit Kansal, Additional Secretary, Ministry of Textiles, Government of India; and Smt. Amrit Raj, IPoS, Development Commissioner (Handicrafts), Ministry of Textiles, Govt. of India.

The awards given away by the Hon'ble Minister included the Top Export Award for 2019-20 and 2020-21, both were bagged by M/s C.L. Gupta Exports Ltd, Amroha (Uttar Pradesh); following which, senior and veteran exporter, Mr. Muzafar Hussain was honoured with the 'Lifetime Achievement Award' for his outstanding contribution, patronage and guidance to the Indian Handicrafts Sector. This was followed by more awards and certificates in various Handicraft product categories.

Shri Giriraj Singh, Hon'ble Union Minister of Textiles, Govt. of India congratulated all the award recipients for their relentless dedication and significant role in contributing to the Indian economy. Calling them 'champions' he urged them to prove India's worth to the world by working advantageously on the existing strength of an exceptional heritage, 800 clusters producing 35,000 products and the ability to be factories to the world's biggest markets like with major markets including the UK, USA, Canada, France, Australia, Germany and Italy. He also urged exporters to look for new markets and hoped to see India's share grow significantly in world markets by new entrants in the sector with focus on sustainability & green products and prioritize product diversification. The Hon'ble Minister acknowledged the able leadership and commendable efforts of the Council as well as the exporters in making Indian handicraft exports globally competitive and profitable. He emphasised the role of women that constitute a major percentage of the sector's workforce and hoped to see more of them among awardees in the near future. "We must evaluate India's share in the global market to better understand our position. Export champions should focus on achieving their targets, and there should be awards for exploring new market territories," he concluded.



“These awards, representing export performance across product groups, regions, and women entrepreneurs, honour exceptional efforts of securing a strong presence in international markets,” said Smt. Rachna Shah, IAS, Secretary, Ministry of Textiles, Govt. of India, as she congratulated the award recipients and the artisans in their workforce, for their exceptional export performance, highlighting the importance of handicrafts as a vital part of India’s cultural heritage. She stressed the need to celebrate the diversity of unique art forms from different regions and acknowledged the crucial role of handicrafts in connecting small cities and villages to global trade, particularly in empowering women and providing livelihoods. Smt. Shah emphasized the growing need for branding and quality certification standardization, the importance of linking each craft to its unique stories and traditions, and the necessity of maintaining traditional export markets while exploring new opportunities. She also recognized the pivotal role of e-commerce in expanding market access and mentioned the government’s plan to establish 50 e-commerce hubs to support the sector’s growth by expanding export opportunities.”

Smt. Amrit Raj, IPoS, Development Commissioner (Handicrafts), Ministry of Textiles, Govt. of India, said, “Our manufacturers and exporters are making notable strides in the international market by leveraging market intelligence, understanding consumer behaviour, ensuring compliance, and embracing technological advancements.

Shri Dileep Baid, Chairman, EPCH, shared, “The Handicrafts Export Awards are the testimony of a significant journey we all, as a sector, have undertaken towards our endeavour to triple export by 2030. Handicrafts are not merely a trade; they are a reflection of our tradition and heritage, with each art form telling a unique story. Thanks to the dedicated hands of our artisans, India’s historic art continues to thrive, making its mark on both local and global stages. However, with the right strategies, investments, and the unwavering spirit of our craftsmen, we are confident in our ability to increase market reach and secure new opportunities. We are committed to supporting our artisans, whether through entering new markets or developing innovative products, with the ultimate goal of bringing Indian art to the w

along with a prestigious Lifetime Achievement Award. The Awards, instituted in 1989, are presented across four broad categories: the Top Export Award, Platinum Performer Certificate, Product Group-wise Awards, Woman Entrepreneur Award, Regional Awards and the together totalling to 34 Trophies, 6 Platinum Performer Certificates, 4 Hat-trick Trophy, 57 Merit Certificates, 12 Regional Award, 9 Women Entrepreneur Awards and 1 Lifetime Achievement Award.”



Dr. Rakesh Kumar, Chief Mentor in a role of Director General, EPCH said, “The handicrafts sector in India is a vital engine of employment, providing livelihood to millions, mostly artisans and crafts persons, many of whom are women, preserving traditional skills passed down through generations. The capabilities of Indian handicraft entrepreneurs, combined with improved manufacturing practices, have significantly contributed to the country’s export earnings. The achievements celebrated here today are a testament to the hard work and dedication of the entire handicrafts exporting community, which has maintained its momentum and positive outlook despite the challenges faced.”

Shri R. K. Verma, Executive Director, EPCH thanked the dignitaries for their presence, encouragement and support and informed, “The primary objective of these awards is to foster a spirit of healthy competition among exporters. The Platinum Performer Award is granted to those who have won the Top Export Award for more than three years. The Top Export Award Trophy is presented to the exporter with the highest export performance across all handicraft product categories. The Woman Entrepreneur Award is given to organizations led or wholly owned and directed by women. Merit Certificates are awarded to those who achieve the second-highest export performance in each category, as well as to those who demonstrate excellent export growth, achieving the highest average export performance over the past three years. Regional Awards are determined by the highest export performance within a specific region over the last three years. The Hat Trick Award is presented to those who have won the export award trophy three consecutive times. Over the years, these awards have become a coveted recognition within the handicrafts export community, with many striving to secure a place among the awardees.”

EPCH is a nodal agency for promoting exports of handicrafts from the Country to various destinations of the world and projecting India’s image abroad as reliable supplier of high quality of handicrafts goods & services. The Handicrafts exports during the year 2023-24 was Rs. 32,759 Crores (US \$ 3,956 Million) registering a growth of 9.13% in rupee term & 6.11% in dollar terms over the previous year, further informed by Mr. R.K. Verma, Executive Director-EPCH.

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India calls for unified African stance on WTO reforms and key global issues

Commerce secretary Sunil Barthwal urged African countries to unite in calling for reforms at the World Trade Organization (WTO) and to address key issues such as food security, technology transfer and industrial policy.



Barthwal told the India-Africa Conclave that a unified approach is essential for achieving reforms and improving global trade practices.

"India and African countries share strong common views and interests on food security, agriculture, technology transfer, and WTO reforms. In a fragmented and protectionist global environment, it is crucial for both regions to stay united and continue to pursue the mandated priorities agreed upon at the Doha Development Round in the WTO," the commerce secretary said.

The commerce secretary offered tailored capacity-building programmes to African nations in trade facilitation, promotion, finance, policy, and negotiations through India's key institutions, including the Centre for WTO Studies, the Centre for Trade and Investment Law and the Indian Institute of Foreign Trade.

India is also planning to start new free trade agreement (FTA) discussions with South Africa, a key constituent of the South African Customs Union (SACU).

Beyond exports, there is significant potential to expand India's import basket from Africa. A Commonwealth Secretariat study highlights that 17 African countries could supply 129 unique intermediate products to India, currently sourced from less competitive suppliers. Facilitating market access for these African products can benefit both India and Africa, enhancing trade opportunities and competitiveness.

In FY24, India exported goods worth \$38.17 billion to African countries. Key destinations included Nigeria with \$3.6 billion, South Africa with \$8.71 billion, and Tanzania with \$4.62 billion, among others. Key products exported to African nations include petroleum products, engineering goods, drugs and pharmaceuticals, rice, textiles, electronic goods, etc.

The secretary also announced plans to share the PM Gati Shakti master plan and the Unified Logistics Interface Portal (ULIP) with Africa to support the development of efficient logistics infrastructure and improve multimodal connectivity. These programs demonstrate how digital tools and infrastructure can enhance logistics efficiency and reduce costs. The PM Gati Shakti master plan is an integrated framework designed to enhance logistics infrastructure and improve multimodal connectivity across India.

Mint reported on 5 May that India planned to use a new case filed by South Africa against the European Union's stringent food safety regulations on citrus fruit to advocate for relaxed standards that currently restrict a broad range of Indian food exports.

The EU's stringent safety norms have significantly limited India's exports of chilies, tea, basmati rice, milk, poultry, bovine meat, fish, and chemicals.



The 13th Ministerial Conference of the WTO, held in Abu Dhabi in February, concluded without reaching consensus on key issues such as agriculture and fisheries, despite an additional day of negotiations and intensive efforts.

India, along with other G-33 members, had opposed linking public stockholding of grains to broader agricultural trade reforms, preserving their right to support their agricultural sectors without facing legal challenges in the WTO's dispute system.

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Eco momentum remains intact: Finmin

India's economic momentum remains intact despite a somewhat erratic monsoon, and real GDP growth of 6.5-7% projected in the Economic Survey seems appropriate, a finance ministry report said on Thursday. According to the monthly economic review for July, the Indian economy has sustained its momentum in the first four months of FY25. GST collections in the first four months of FY25 underwent a level shift pushed up by the widening of the tax base and heightened economic activity, the report said.

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Cambodia needs more Chinese investments: PM Hun Manet

Cambodia needs more Chinese investments, especially in clean energy, environmental protection, health, agriculture, industry and finance, Prime Minister Hun Manet recently told a visiting Chinese business delegation in Phnom Penh.

He encouraged the delegation, which has representatives from 12 Chinese companies, to discuss with relevant ministries and institutions, especially the Council for the Development of Cambodia, to gain deeper insights into the country's investment potential, a news agency reported.

China is the largest investor and trading partner of Cambodia.



China has invested in mega-projects in the country under the Belt and Road Initiative (BRI). The projects include the Sihanoukville Special Economy Zone, hydropower plants, Phnom Penh-Sihanoukville Expressway, the Siem Reap Angkor International Airport.

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Bangladesh NBR urged to simplify, speed up customs-related services

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US Upland cotton sales at 93,000 bales, Pima totals 8,200 bales: USDA

Net sales of Upland cotton in the US for the 2024-25 season totalled 93,000 running bales (RB), each weighing 226.8 kg or 500 pounds. The sales were primarily noted for Pakistan (24,900 RB, including decreases of 500 RB), India (18,300 RB), Bangladesh (16,800 RB, including decreases of 1,800 RB), Mexico (12,500 RB), and Vietnam (6,800 RB, including 300 RB switched from Thailand). These were offset by reductions in sales to Costa Rica (6,600 RB) and El Salvador (200 RB). The new season began on August 1, 2024.

According to the USDA's export sales report for the week ending August 15, net sales of 4,900 RB for the 2025-26 season were reported for Mexico (3,300 RB), El Salvador (1,200 RB), and Japan (400 RB).

Exports of 168,800 RB were primarily to Vietnam (35,700 RB), Pakistan (30,600 RB), China (19,200 RB), India (15,800 RB), and Turkiye (11,900 RB).



Net sales of Pima cotton for the 2024-25 season totalled 8,200 RB, primarily for India (3,300 RB), Peru (1,700 RB), Bangladesh (1,500 RB), Pakistan (900 RB), and Vietnam (300 RB). Exports of 5,100 RB were primarily to Pakistan (1,300 RB), Vietnam (1,100 RB), India (700 RB), Peru (500 RB), and Taiwan (400 RB).

The USDA had earlier reported that a total of 979,900 running bales of Upland cotton were carried over from the 2023-24 marketing year, which ended on July 31, 2024.

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China to deepen cooperation with Africa on industrial, supply chains

China will expand institutional opening up to Africa and deepen cooperation on industrial and supply chains to further advance economic cooperation and development linkage, the former's assistant minister of commerce Tang Wenhong recently said.

He was addressing a press conference detailing the progress and achievements under the nine cooperation programmes China announced during the 8th ministerial conference of the Forum on China-Africa Cooperation (FOCAC) held three years ago in Senegal.

These nine programmes cover poverty reduction, agricultural development, trade and investment promotion, digital innovation, green development and capacity building, among others.

Tang said China and Africa will discuss cooperation plans during the FOCAC 2024 Summit, scheduled to be held in Beijing from September 4 to 6.

As of 2023 end, China's direct investment stock in Africa exceeded \$40 billion, making it one of Africa's major sources of foreign investment, he said.

China-Africa trade reached \$282.1 billion last year, up by nearly 11 per cent compared with 2021.

In the past three years, Chinese companies have created more than 1.1 million jobs in Africa in sectors like agriculture, processing and manufacturing and trade logistics, and helped increase the continent's tax revenues and foreign exchange earnings from exports, state-controlled media outlets reported.

Chinese companies have also implemented a large number of clean energy projects in Africa.

Shen Xiang, director of the West Asia and Africa department under the ministry of commerce, said China has been actively exploring new models of financial cooperation



with Africa and is committed to providing support for the sustainable economic development of African countries.

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ICE cotton sees fifth day of gains; traders eye USDA export report

ICE cotton maintained strong momentum for the fifth consecutive session yesterday, achieving notable gains. The weakening Dollar Index further supported the US cotton market. A weaker Dollar Index and poor crop conditions prompted buyers to take risks in ICE cotton contracts. The current lower price levels also encouraged buyers to engage in fresh deals. Traders are now waiting for the export sales data due today.

Yesterday, the ICE cotton December contract settled at 70.35 cents per pound (0.453 kg), up 1.01 cents. The contract gained 330 points over the last five sessions.

The US Dollar Index continued to decrease, reaching a seven-month low of 101.30. The weakness in the Dollar Index made cotton purchases more attractive for foreign buyers, increasing the likelihood of strong demand in the coming days.

Yesterday, the Federal Reserve's July meeting minutes revealed strong support among policymakers for cutting interest rates in September, with a 38 per cent chance of a 50-basis point rate cut and a 62 per cent chance of a 25-basis point cut.

The total trading volume was robust, with 31,561 contracts traded. This compares to 29,751 contracts cleared the previous day, reflecting strong market activity. Open interest decreased, possibly due to the expiration and exercise of positions from September options, starting the day at 231,389 contracts, a decrease of 891 contracts. Specifically, open interest for the December contract began at 150,534 contracts, down by 1,251 contracts, indicating a possible shift in market positioning. Certified stocks remained unchanged at 12,767 bales, showing stability in inventory levels despite the market's activity.

Weather conditions in the US cotton production area are becoming slightly adverse. Texas, a key cotton-producing region, has deteriorated further with intensifying extreme heat, raising concerns about the potential impact on cotton yields.

Traders observed a slight improvement in cotton demand, but it remained relatively weak overall. They are now focusing on the USDA's upcoming weekly export sales report, scheduled for release today, which will provide further insights into demand and influence market direction.



Currently, ICE cotton for December 2024 is trading at 70.33 cents per pound, down 0.02 cents. Cash cotton traded at 65.21 cents (up 0.91 cents), the October contract at 69.71 cents (up 0.91 cents), the March 2025 contract at 71.62 cents per pound (unchanged), the May 2025 contract at 72.63 cents (down 0.04 cents), and the July 2025 contract at 73.45 cents (up 0.23 cents). A few contracts remained at the level of the last closing, with no trading noted today.

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EU & Fiji strengthen trade relations with full implementation of IEPA

Valdis Dombrovskis, executive vice-president of the European Commission and commissioner for trade, and Manoa Kamikamica, deputy prime minister and minister for trade, cooperatives, micro, small and medium enterprises and communications of Fiji, have announced the further strengthening of bilateral trade relations between the European Union (EU) and Fiji through the full implementation of the interim Economic Partnership Agreement (IEPA) between the EU and the Pacific States.

The IEPA, a trade and development agreement, aims to liberalise bilateral trade to promote sustainable development and facilitate Fiji's integration into the global economy. While the EU had already eliminated customs duties and quotas on all imports from Fiji, the Fijian government has now committed to phasing out duties on a specified set of tariff lines for imports from EU Member States. These are referred to as the 'committed basket of tariff lines', the EU and Fiji said in a joint statement.

However, tariffs on selected imports from the EU will continue to apply in certain areas to support the development of domestic value chains. This protective measure is known as the 'exclusion basket of tariff lines.'

The effective implementation of the IEPA and its tariff liberalisation commitments is expected to create new trade opportunities for businesses and investors. The current tariff phase-out will also ensure that Fijian industries have access to cheaper inputs, thereby increasing the competitiveness of locally produced goods and supporting both local industrial development and integration into global value chains.

The IEPA also plays a crucial role in facilitating cooperation on trade and investment, particularly through the 'Global Sourcing' provision, a unique concession by the EU that supports the development of value chains. The EU's bilateral and regional trade-related development cooperation further assists Fiji in implementing the EPA, helping the country



to better comply with EU market access standards, upgrade its productive sectors, improve the business environment, and understand EU regulations and trade rules.

The EU and Fiji initially signed the EPA in 2009. While the EU began provisional application immediately, Fiji chose to start applying the agreement in 2014. The final step of tariff liberalisation marks a critical milestone in developing and diversifying bilateral trade between Fiji and the EU.

Executive vice-president Dombrovskis and deputy prime minister Kamikamica have affirmed their shared interest in strengthening the longstanding bilateral trade and economic relationship between the EU and Fiji.

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