



CONFEDERATION OF INDIAN TEXTILE INDUSTRY
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2023-2024
**ANNUAL
REPORT**

CONFEDERATION OF INDIAN TEXTILE INDUSTRY (Formerly known as The ICMF)

Member Associations with areas served by them

The Southern India Mills' Association, Coimbatore

(The States of Tamil Nadu, Andhra Pradesh, Karnataka and Kerala and the Territories of Pondicherry, Karaikal, Mahe and Enam)

The Northern India Textile Mills' Association, New Delhi

(Delhi, Punjab, Haryana, Himachal Pradesh and Jammu & Kashmir)

The Millowners' Association, Mumbai

(The State of Maharashtra excluding Nagpur and Vidarbha Region and the State of Goa)

The Ahmedabad Textile Mills' Association, Ahmedabad

(Ahmedabad, Surat, Viramgam, Nadiad, Kalol and the Cambay areas of the State of Gujarat)

The Rajasthan Textile Mills Association, Jaipur

(The State of Rajasthan)

The Madhya Pradesh Textile Mills Association, Indore

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Spinners Association (Gujarat), Rajkot

(Gujarat state where its members operate)

The Maharashtra Mofussil Mills' Association, Nagpur

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(Jurisdiction all over India)

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Indian Cotton Association Ltd.
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1. Overview of the Global Economy

The global economy held up well in 2023 in spite of tightening financial conditions caused due to restrictive monetary policy stances, geopolitical tensions, and geoeconomic fragmentation. Global GDP rose by 3.2 percent in 2023 (3.5 percent a year ago), supported by buoyancy in the US and major emerging markets and developing economies (EMDEs). Global inflation eased to 6.8 percent in 2023 from 8.7 percent a year ago on the back of monetary tightening and restoration of supply chains.

As per the International Monetary Fund, Global growth is projected to remain stable at 3.2% in 2024 and 3.3% in 2025, aligning with earlier forecasts. Despite some variation in economic activity across regions, momentum is becoming more consistent. However, inflationary pressures, particularly in services, are complicating monetary policy efforts, leading to potentially prolonged higher interest rates amidst rising trade tensions and policy uncertainties.

Major markets like the U.S. and Japan saw unexpected slowdowns due to moderating consumption and supply disruptions, while markets like Europe and China experienced economic rebounds. Emerging markets like China and India are seeing stronger growth, while regions like Latin America, the Middle East, and Sub-Saharan Africa face downward revisions due to natural disasters, conflicts, and weak economic activity. As per the RBI, Advanced economies (AEs) are expected to grow slightly faster at 1.7%, while emerging markets and developing economies (EMDEs) will expand at 4.2%, slightly down from the previous year.

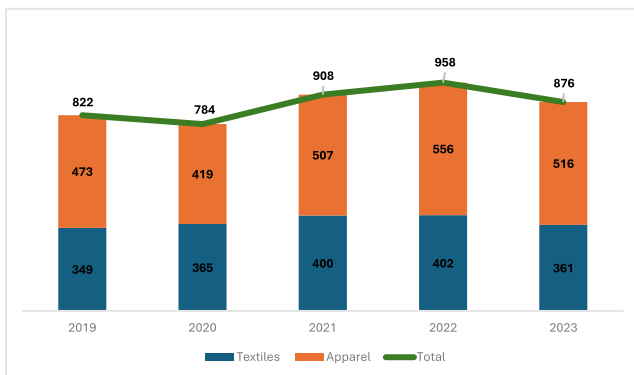
Global trade is expected to recover, and inflation will gradually decline, although risks remain. It is imperative to carefully sequence measures to manage inflation and support growth while addressing long-term challenges such as declining productivity and climate change through multilateral cooperation.



2. Overview of Global Textile & Apparel Industry

During the last 5 years, global T&A exports have increased at a CAGR of 1.6%. However, in 2023, the global textile and apparel exports declined by about 9% compared to 2022 to reach about US\$ 876.5 billion. Apparel had a share of 58.8% while textiles contributed to about 41.2% of the total T&A exports of 2023 as shown in figure 1.

Figure 1: Global Textile & Apparel Trade (in US\$ Bn.)



Source: ITC Trade Map and CITI Analysis

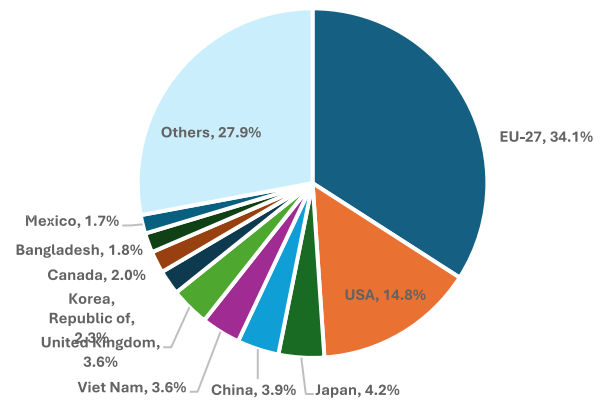
2.1. Major Importers of Textiles & Apparels Globally

EU-27 and the USA were the largest importers of T&A commodities during 2023. The T&A imports of EU-27 have

increased at a CAGR of 2.1% during 2019-2023 while imports by the USA have declined by about 1.1% during the same time frame. During the last 5 years imports of Vietnam and Mexico have increased significantly as compared to other top 10 importers of T&A.

The top 10 markets enjoy a share of about 72.1% in global T&A imports. EU-27 has maintained the top position with a 34% share in total T&A imports in 2023, followed by the USA and China & Hong Kong with a share of 14.8% and 4.2% respectively as shown in figure 2

Figure 2: Share of top markets in Global T&A import in 2023



Source: ITC Trade Map & CITI Analysis

Table 1 : Top markets of Textile & Apparel (US\$ Bn.)

S No	Country	2019	2020	2021	2022	2023	CAGR
1	EU-27	241.5	247.4	265.1	287.1	262.9	2.1%
2	United States of America	119.4	117.3	127.8	145.5	114.4	-1.1%
3	Japan	37.1	35.9	33.4	35.4	32.5	-3.3%
4	China	32.2	29.3	35.5	31.4	29.9	-1.9%
5	Viet Nam	20.8	18.7	22.8	24.1	28.0	7.7%
6	United Kingdom	32.5	34.1	29.6	32.7	27.8	-3.9%
7	Korea, Republic of	16.1	15.1	17.1	18.8	17.6	2.2%
8	Canada	14.7	15.1	15.3	18.2	15.6	1.4%
9	Bangladesh	13.0	11.1	17.8	18.1	13.9	1.7%
10	Mexico	10.7	8.7	11.2	13.5	13.3	5.7%
	Others	204.8	184.2	216.6	238.2	215.4	1.3%
	World	742.9	716.9	792.1	863.1	771.4	0.9%

Source: ITC Trade Map and CITI Analysis

Table 2 : Largest Exporters of Textile & Apparel (in US\$ Bn.)

S No	Country	2019	2020	2021	2022	2023	CAGR
1	China	260.2	280.5	304.7	319.7	292.6	3.0%
2	Bangladesh	43.1	38.7	48.8	61.2	49.6	3.6%
3	Viet Nam	39.4	37.1	41.3	45.4	46.8	4.4%
4	Germany	38.2	37.0	41.3	41.6	42.4	2.7%
5	Italy	36.4	30.9	37.7	39.9	40.7	2.9%
6	India	35.5	29.6	41.5	38.3	34.2	-0.9%
7	Türkiye	28.6	27.3	34.5	35.3	32.9	3.5%
8	USA	26.1	22.8	25.6	30.8	26.5	0.4%
9	France	17.4	15.1	18.1	19.5	21.4	5.4%
10	Netherlands	17.2	17.2	21.1	20.5	20.4	4.3%
	Others	279.4	247.7	293.1	305.8	268.9	-1.0%
	World	821.5	784.0	907.6	958.0	876.5	1.6%

Source: ITC Trade Map & CITI Analysis

2.2. Major Exporters of Textile & Apparel Globally

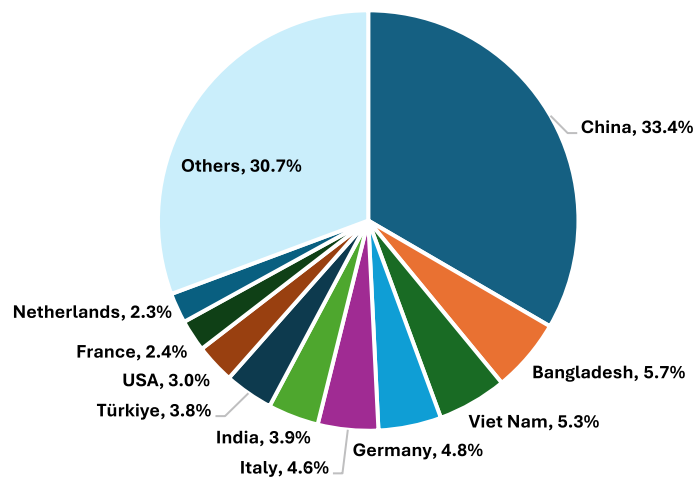
China has maintained the top position of T&A exporter to the world. Its T&A exports have increased at a CAGR of 3% during 2019 - 2023. During 2023, India was the 6th largest T&A exporter to the world and its exports have declined to US\$ 34.2 bn compared to US\$ 38.3 bn in 2022. During 2019-2023, India's exports of T&A have declined by about 0.9%, and is the only country in the top 10 exporting nations to show a negative CAGR during this period.

During the 2019-2023 period, exports from Vietnam and Bangladesh have increased at a significant CAGR of 4.4% and 3.6% respectively.

The top 10 exporting countries enjoy a share of 70% in the global T&A exports as shown in figure 3:

China has successfully used its low-cost manufacturing and large-scale infrastructure to achieve a notable share of 34.4% in the global textiles and apparel trade. It is worth noting that exporting nations like Bangladesh and Vietnam do not have the presence of the entire value chain, yet they have shown a considerable improvement in their export performance mainly due to their cost competitiveness and duty free/low duty access to many of the major markets which have given them an upper hand as compared to other competitors.

Figure 3 : Share of Exporters in Global Export of T&A Products in 2023



Source: ITC Trade Map and CITI Analysis

3. Overview of Indian Economy

According to the RBI, despite global uncertainty, the Indian economy showed strength during 2023-24, with real GDP growth increasing to 7.6 percent from 7.0 percent in 2022-23, driven by strong fixed investment. It was the 3rd successive year of 7% or above growth. On the supply side, economic activity was supported by the improvement in the manufacturing sector's profitability which benefitted from lower input prices as well as the sustained momentum in services activity, offsetting the slowdown in the agricultural sector.

The outlook for the Indian economy remains bright, underpinned by a sustained strengthening of macroeconomic fundamentals, robust financial and corporate sectors, and a resilient external sector. The government's continued thrust on capex while pursuing fiscal consolidation, and consumer and business optimism augur well for investment and consumption demand.

India's merchandise exports should benefit from the projected rebound in global trade but with downside risks from ongoing geopolitical conflicts and geoeconomic fragmentation.

Strong investment demand, supported by healthy bank and corporate balance sheets, government capital

expenditure, and prudent policies, is driving robust real GDP growth. India's strong external sector and substantial foreign exchange reserves provide a buffer against global economic shocks. However, risks remain from geopolitical tensions, global financial volatility, commodity price fluctuations, and climate-related disruptions.

As per the RBI, the fundamental drivers of the Indian economy are gaining momentum and the country is moving on a sustainable growth path. India's real GDP growth in 2024-25 to 7.2 percent, from 7 percent projected earlier. The GDP growth is pegged at 7.3 percent in the June 2024 quarter and is expected to ease to 7.2 percent in the September 2024 quarter. The RBI projects GDP in the December 2024 quarter and March 2025 quarter to grow by 7.3 percent and 7.2 percent, respectively.

As per the report sustained momentum in the manufacturing and services sector is expected to lead to a revival in private consumption. Investment activity is anticipated to remain on track on account of healthy corporate and bank balance sheets, buoyant business optimism and the Government's continued thrust on infrastructure expenditure. External demand is expected to be supported by improving world trade prospects.



4. Overview of Indian Textile & Apparel Industry

Indian textile industry is one of the largest in the world with a large manufacturing base and strength across the entire value chain. Contributing to around 8% in total India's export during 2023-24, the T&A sector is the second largest employer after agriculture providing direct and indirect employment to about 10+ crore people.

As per the National Textile Committee, the Indian textile and apparel market size was estimated at about US\$ 152 Bn during 2021. The domestic consumption of textiles and apparel constitutes approximately 75% of the total market size while exports account for the rest 25%.

4.1. Index of Industrial Production (IIP) for Textile & Apparel

In July 2024, the General Index of Industrial Production (IIP) was 6.3% up as compared to August 2023. During the same time period the IIP for Manufacturing of Wearing Apparel was up by 26.1% while for Textiles, it was almost stagnant during the same time frame.

Table 1: Overall Market Size of Indian Textile & Apparel Industry (US\$ Bn)

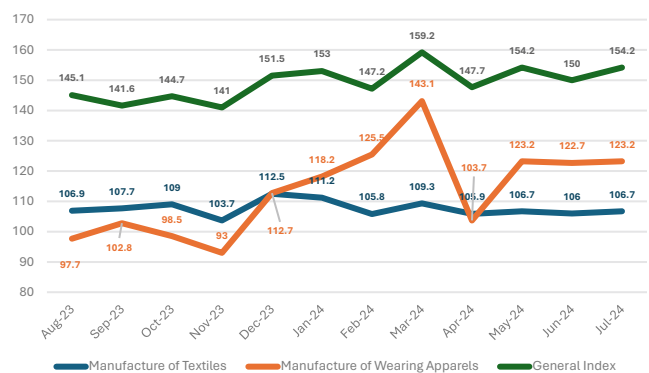
Particulars	2016	2017	2018	2019	2020	2021
Households	78	88	95	117	83	94
Exports	35	37	37	35	30	36
Non-household*	33	33	38	30	19	22
Total	147	159	171	182	132	152

Source: National Household Survey 2020 by Textiles Committee
*Residual Estimate

In terms of the global ranking of 2023, India was the 8th largest exporter in terms of apparel and the 3rd largest exporter of textiles. Overall, India was the 6th largest exporter of T&A commodities combined during 2022.

Apparel also plays a critical role in improving social dynamics as most women are employed in the sector. Above all, the backward linkages of the sector to the rural economy give huge opportunities to millions of farmers, artisans, handloom, and handicraft manufacturers. The sector is perfectly aligned with Government's key initiatives viz., Make in India, Skill India, Women Empowerment, and Rural Youth Employment.

Index of Industrial Production Data (Base 2011-12 = 100)



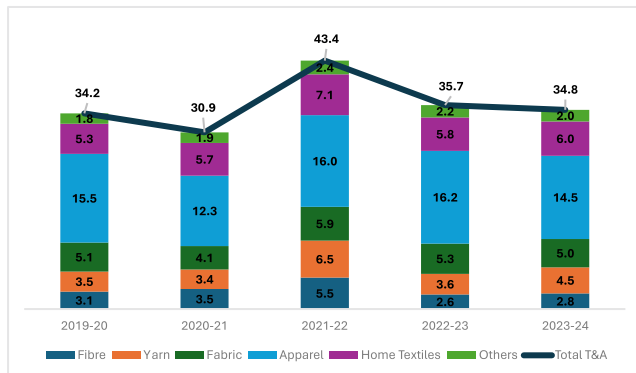
Source: MOSPI

¹Market size was estimated by considering T&A export US\$ 36 bn while Actual Exports in 2021 stood at US\$ 41.5 bn which was about US\$ 5.5 bn more, hence, the market size in 2021 stood at about US\$ 158 bn.

4.2. India's Exports of Textile & Apparel

As a result of the proactive policy support from the Government, India achieved its highest ever T&A exports of US\$ 43.4 Bn during 2021-22 which was about 41% higher than exports of US\$ 30.9 bn during 2020-21. However, owing to certain socio-economic reasons and also due to declined demand of T&A products worldwide, India's T&A exports have been declining since then. During 2023-24, India's T&A exports stood at about US\$ 34.8 bn which was about 2.3% lower as compared to 2022-23 and was almost equal to the exports during 2019-20. This decline is majorly due to the decline in exports of Apparel which declined by about 10.2% in 2023-24 compared to 2022-23.

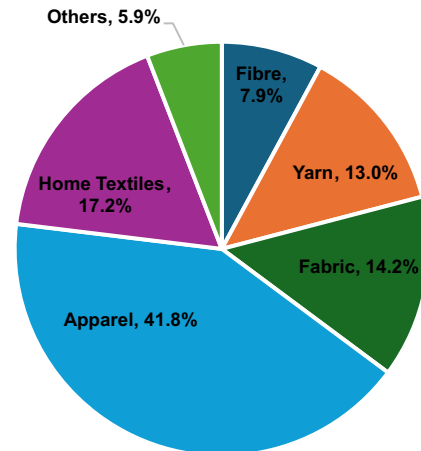
Figure 1: India's Export of Textile & Apparel (in US\$ Bn.)



Source: DGCI&S & CITI Analysis

Apparel is the largest exported T&A category from India with a share of about 45.4% in total T&A exports followed by Home Textiles and Fabric with a share of 17.2% and 14.2% respectively. Category-wise share of exports of T&A commodities is shown in figure 2.

Figure 2: Share of Major T&A categories exported in 2023-24



Source: DGCI&S & CITI Analysis

• Top 20 categories exported in 2023-24

The top 20 commodities (HS-4) have a share of about 71.8% in total textile and apparel exports from India. The exports of these top 20 commodities are given in table 2:

Table 2: India's Top 20 Exported Textile & Apparel Categories (US\$ Million)

Sr. No.	HS Code	Commodity	2019-20	2023-24	% Share	CAGR
1	5205	Cotton yarn other than sewing thread, containing = 85% cotton by weight (excluding that put up for retail sale)	2,700.0	3,576.3	10.3%	7.3%
2	6204	Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, bib, and brace overalls, breeches, and shorts	2,534.4	2,838.0	8.1%	2.9%
3	6109	T-shirts, singlets, and other vests, knitted or crocheted	2,481.9	2,109.6	6.1%	-4.0%
4	6304	Other Furnishing Articles, excluding those of heading 9404	1,784.9	1,938.6	5.6%	2.1%
5	6302	Bed Linen, Table Linen, Toilet Linen, and Kitchen Linen	1,545.7	1,858.8	5.3%	4.7%
6	5208	Woven Fabrics of Cotton Containing >=85% By weight Of Cotton Weighing Not More than 200 G/M2	1,093.8	1,216.1	3.5%	2.7%
7	6205	Men's Or Boys Shirts	1,020.0	1,056.9	3.0%	0.9%
8	6206	Women Or Girls Blouses, Shirts and Shirt-Blouses	1,089.1	1,036.2	3.0%	-1.2%
9	6203	Men's or Boys Suits, Ensembles, Jackets Blazers, Trousers, Bib and Brace Overalls Breeches and Shorts (Other Than Swimwear)	1,068.0	999.7	2.9%	-1.6%

10	6305	Sacks and Bags, of a kind used for the packing of goods	876.9	975.4	2.8%	2.7%
11	5201	Cotton, Not Carded or Combed	1,001.4	972.2	2.8%	-0.7%
12	6111	Babies' garments and clothing accessories, knitted or crocheted	909.5	927.9	2.7%	0.5%
13	6211	Tracksuits, Ski Suits, and Swimwear, other garments	1,113.7	873.7	2.5%	-5.9%
14	5407	Woven fabrics of Synthetic Filament Yarn Incl Woven Fabrics Obtained from Materials of heading No.5404	1,190.2	853.5	2.5%	-8.0%
15	5402	High Tenacity Yarn of Nylon or Other Polyamides, Whether or Not Textured	1,107.2	806.9	2.3%	-7.6%
16	5703	Carpets And Other Textile Floor Coverings (Including Turf), Tufted, Whether or Not Made Up	520.2	675.9	1.9%	6.8%
17	6105	Men/Boys Shirts, Knitted/Crocheted	700.6	670.6	1.9%	-1.1%
18	5702	Carpets and other textile floor coverings, woven, not tufted or flocked, whether or not made up	550.3	648.9	1.9%	4.2%
19	6107	Men's or boys' underpants, briefs, nightshirts, pajamas, bathrobes, dressing gowns, and similar articles, knitted or crocheted	541.3	548.3	1.6%	0.3%
20	6104	Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, bib, and brace overalls, breeches and shorts	568.6	546.2	1.6%	-1.0%

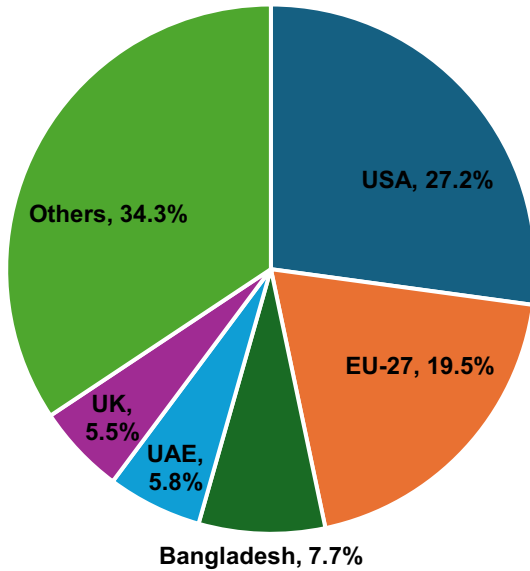
Source: DGCI&S & CITI Analysis



a) Top Markets for India's Textile & Apparel Exports

During 2023, the USA with a share of about 27.2% was the largest market for Indian textiles and apparel products followed by EU-27 and Bangladesh with a share of 19.5% and 7.7% share respectively as shown in figure 3.

Figure 3: Top Markets for India's T&A Export in 2022



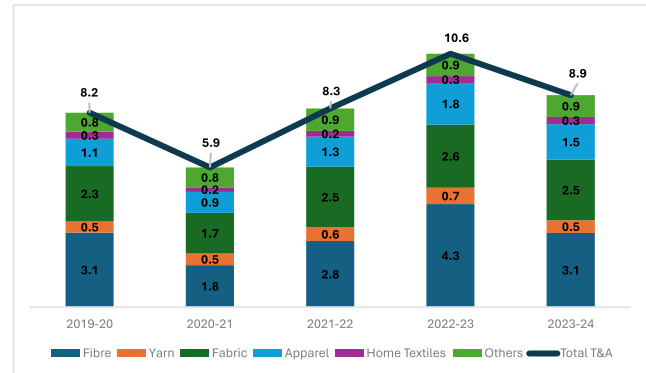
Source: ITC Trade Map & CITI Analysis

Among the top 5 export destinations, India's T&A exports to Bangladesh have shown the maximum CAGR of 6.4% during 2019-2023 followed by the USA with CAGR of 2.4%. India's total exports of T&A to the world have decreased at a CAGR of 0.9% during the same time frame. Though India entered into a Comprehensive Economic Partnership Agreement (CEPA) with UAE on 1st May 2022, however, the positive effect of the same is yet to be seen in India's T&A exports to UAE which declined to US\$ 1.98 bn during 2023 as compared to export of US\$ 2.09 bn in 2022.

4.3. India's Imports of Textile & Apparel

During 2023-24, India's T&A imports stood at about US\$ 8.9 bn which has decreased by about 16.3% as compared to 2022-23. The major decline in imports has been shown by fibre, yarn, and apparel which declined by about 27.9%, 23.2%, and 15.2% respectively in 2023-24 as compared to 2022-23.

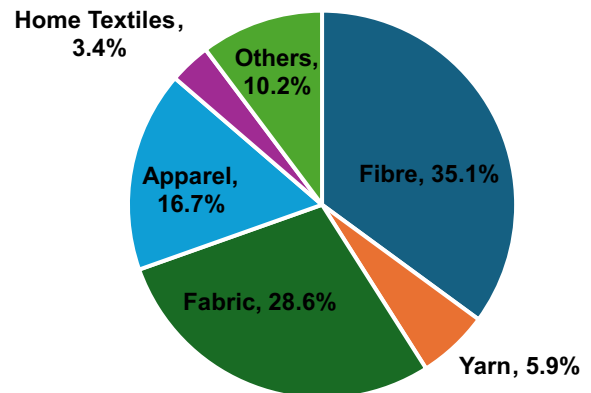
Figure 4: India's Import of T&A (US\$ bn)



Source: DGCI&S

Category-wise analysis shows that Fibre & Fabric have the highest share of 35.1% and 28.6% respectively in total T&A imports of India during 2023-24 as shown in figure 5.

Figure 5: Category-wise share in textile & apparel imports of India in 2023-24



Source: DGCI&S & CITI Analysis

Table 3: Last 5 years exports to top markets (in US\$ Bn.)

Country	2019	2020	2021	2022	2023	CAGR
USA	8.45	7.51	10.82	10.84	9.30	2.4%
EU-27	6.87	5.49	7.05	7.62	6.69	-0.7%
Bangladesh	2.06	2.08	4.27	3.49	2.64	6.4%
UAE	2.44	2.07	2.67	2.09	1.98	-5.1%
UK	2.15	1.60	1.96	2.01	1.87	-3.4%
Others	13.51	10.86	14.70	12.26	11.75	-3.4%
World	35.49	29.61	41.47	38.31	34.23	-0.9%

Source: ITC Trade Map & CITI Analysis

b) Top 20 categories imported

The top 20 commodities (HS-4) have a share of 62.8% in the total textile and apparel imports of India. The imports of these top 20 commodities are shown in table 3

Table 3: India's Top 20 Imported Textile & Apparel Categories (US\$ Million)

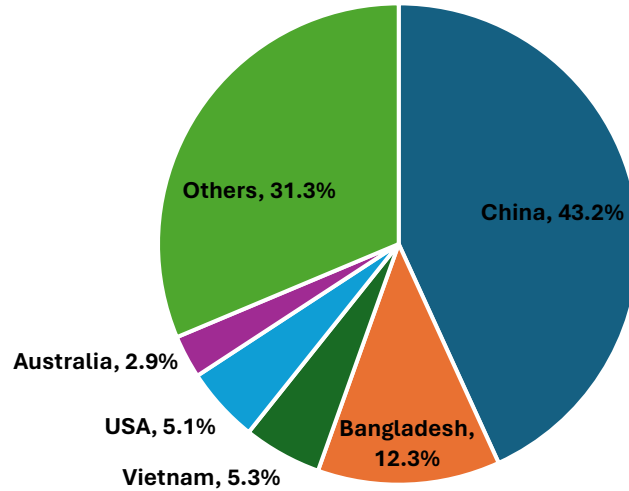
S.No.	HS Code	Commodity	2019-20	2023-24	Share 2023-24	CAGR
1	5402	Synthetic Filament Yarn (Other Than Sewing Thread)	479.0	885.1	9.9%	16.6%
2	5201	Cotton, not carded or combed	1301.0	579.2	6.5%	-18.3%
3	6006	Other knitted or crocheted fabrics	343.9	436.7	4.9%	6.2%
4	5403	Artificial filament yarn (other than sewing thread), not put for retail sale	217.6	414.1	4.7%	17.5%
5	5903	Textile fabrics, impregnated, coated, covered or laminated with plastics, other than those of heading 5902	382.9	361.9	4.1%	-1.4%
6	6203	Men's or boys' suits, ensembles, jackets, blazers, trousers, bib and brace overalls, breeches and shorts	214.5	294.8	3.3%	8.3%
7	5407	Woven fabrics of synthetic filament yarn, including woven fabrics obtained from materials of heading 5404	260.4	274.3	3.1%	1.3%
8	6310	Used or new rags, scrap twine, cordage, rope and cables, and worn-out articles thereof, of textile materials	199.0	262.5	3.0%	7.2%
9	5301	Flax, raw or processed but not spun; flax tow and waste	93.7	222.4	2.5%	24.1%
10	5902	Tyre cord fabric of high-tenacity yarn of nylon or other polyamides, polyesters or viscose rayon.	204.4	219.9	2.5%	1.8%
11	5101	Wool, not carded or combed	225.3	217.4	2.4%	-0.9%
12	5603	Nonwovens, whether or not impregnated, coated, covered or laminated	237.0	193.0	2.2%	-5.0%
13	5509	Yarn of synthetic staple fibres (excluding sewing thread and yarn put up for retail sale)	186.6	190.3	2.1%	0.5%
14	6204	Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, bib and brace overalls, breeches and shorts	128.1	179.0	2.0%	8.7%
15	5503	Synthetic Staple Fibres, Not Carded, Combed or Otherwise Processed for Spinning - Of Nylon or Other Polyamides	232.4	173.1	1.9%	-7.1%
16	5002	Raw silk (non-thrown)	162.4	151.7	1.7%	-1.7%
17	5510	Yarn (other than sewing thread) of artificial staple fibres, not put up for retail sale	129.4	148.2	1.7%	3.5%
18	5504	Artificial staple fibres, not carded, combed or otherwise processed for spinning	154.5	131.2	1.5%	-4.0%
19	6110	Jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted	76.8	130.3	1.5%	14.1%
20	6109	T-shirts, singlets and other vests, knitted or crocheted	87.6	124.8	1.4%	9.3%

Source: DGCI&S & CITI Analysis

c) Top Suppliers of Textile & Apparel Commodities to India

China continues to remain the biggest supplier for Indian textiles and apparel products during 2023 with a share of 43.2% followed by Bangladesh and Vietnam with a share of 12.3% and 5.3% respectively as shown in figure 6.

Figure 6: Top Suppliers of T&A to India in 2023



Source: ITC Trade Map & CITI Analysis

Imports of T&A by India from the world have increased at a CAGR of 2.5% during the last 5 years. However, during 2023, India's imports declined by about 13.9% as compared to 2022.

Table 4: Major Suppliers of T&A products to India (US\$ Bn)

Exporters	2019	2020	2021	2022	2023	CAGR
China	2.93	2.25	3.41	4.07	3.97	7.9%
Bangladesh	0.71	0.59	0.83	1.16	1.13	12.0%
Viet Nam	0.36	0.22	0.35	0.54	0.48	7.8%
USA	0.82	0.31	0.42	0.73	0.47	-13.2%
Australia	0.16	0.08	0.17	0.44	0.27	12.7%
Others	3.34	2.05	2.90	3.73	2.88	-3.6%
World	8.32	5.50	8.08	10.67	9.18	2.5%

Source: ITC Trade Map & CITI Analysis

5. Sector Wise Performance

5.1. Cotton Fibre

Cotton has been the pride and prime of the Indian Textile Industry. It has been the major competitive strength of the country with India's T&A exports being dominated by cotton. Cotton has been the mainstay for not only more than 65 lakh cotton farmers but also to the value-added textile industry which employs directly & indirectly more than 10 crore people (making it the largest industrial employer)

India is the 2nd largest producer of cotton in the world. However, it has the world's largest acreage of cotton with about 126.80 lakh hectares area under cotton cultivation i.e. around 40% of the world area of 317.71 lakh hectares. Approximately 65% of India's cotton is produced on rain-fed areas and 35% on irrigated lands.

In terms of cotton yield, India lags behind a lot as compared to other cotton-producing nations. While countries like China, Brazil, Australia, and Turkey have cotton yields of above 1700 kg lint/ha, India's yield on the other hand stands at about 436 kg lint/ha which is even far lesser than the world's average yield of about 768 kg lint/ha.

For cotton season 2023-24, India's cotton production is estimated to be around 325.2 lakh bales of 170 kg each which is about 3.4% lower than the production of 2022-23. Total demand of cotton is estimated to be 351 lakh bales in 2023-24 against 329.52 lakh bales in 2022-23 as shown in table 3.

Table 3: Cotton Balance Sheet of India (In Lakh Bales)

Particular	2014/ 15	2015/16	2016/ 17	2017/18	2018/ 19	2019/20	2020/ 21	2021/22	2022/23
Opening Stock	33.0	66.0	36.4	43.8	42.9	56.5	120.8	71.8	39.48
Production	386	332	345	370.0	333.0	365.0	352.5	311.2	336.60
Imports	14.4	22.8	30.9	15.8	35.4	15.5	11.0	21.1	14.60
Total Supply	433.4	420.8	412.4	429.6	411.3	437.0	484.3	404.1	390.68
Consumption	309.4	315.3	310.4	319.1	311.2	269.2	334.9	322.4	313.6
Exports	57.7	69.1	58.2	67.6	43.6	47.0	77.6	42.25	15.89
Total Demand	367.2	384.4	368.6	386.7	354.8	316.2	412.5	364.66	329.52
Closing Stock	66.2	36.4	43.8	42.9	56.5	120.8	71.8	39.48	61.16

Source: As estimated by the Committee on Cotton Production and Consumption (COCPC) in its meeting held on 24/06/2024

Table 4: Cotton Acreage and Yield in last few years

Cotton Year	Cotton Acreage (Lakh Hectares)	Cotton Yield (Lint in Kg/ha)
2017-18	125.86	500
2018-19	126.14	449
2019-20	134.77	460
2020-21	132.85	451
2021-22	123.71	428
2022-23	129.27	443
2023-24	126.80	436

Source: Ministry of Textiles

Table 5: MSP fixed by Ministry of Agriculture during last few years.

Cotton Year	Medium Staple (Staple Length 24.5 to 25.5 mm & micronaire value 4.3 to 5.1)	Long Staple (Staple Length 29.5 to 30.5 mm & micronaire value 3.5 to 4.3)
2017-18	4020	4320
2018-19	5150	5450
2019-20	5255	5550
2020-21	5515	5825
2021-22	5726	6025
2022-23	6080	6380
2023-24	6620	7020
2024-25	7121	7521

Source: Ministry of Textiles

Table 6: Procurement of Cotton Under MSP

Cotton Year	Production (Lakh Bales)	Procurement under MSP Operations	
		Qty. in Lakh Bales	%age of Production
2017-18	370.00	03.91	01.06
2018-19	333.00	10.78	03.24
2019-20	365.00	124.61	34.14
2020-21	352.48	99.33	28.18
2021-22	311.17	00.01	
2022-23	336.60		
2023-24	325.22	32.84*	10.1

In 2021-22 & 2022-23, cotton prices were ruling above MSP. Hence, no MSP support was required by farmers

5.2 Man-Made Fibre & Filament Yarn

Globally, fibre consumption is predominated by manmade fibres (MMFs) having about 70% share in total fibre consumption while natural fibres constitute only about 30%. Contrary to the global trend, fibre consumption in India is skewed towards natural fibres, especially cotton.

As far as India's production of man-made fiber is considered, during 2022-23, India's production of man-made fibre stood at about 2,152 mn kgs which were almost similar to 2021-22 as shown in the table below:

Table 7: Production of Man-Made Fibre (million Kg)

Particular	FY 19	FY 20	FY 21	FY 22	FY 23 (P)	2023-24 (Apr- Jun)	2022-23 (Apr-Jun)	% Change FY 24 over FY 23 for Apr-Jun
Production	1,160	1,688	1,326	2,016	1,904	450	485	-7.09

Source: Office of Textile Commissioner

Similarly, production of manmade filament yarn during 2022-23 stood at about 1,904 Mn kg which was about 5.6% lower compared to 2021-22 as shown in the table below:

Table 8: Production of Man-Made Filament Yarn (mn Kg)

Particular	FY 19	FY 20	FY 21	FY 22	FY 23 (P)	2023-24 (Apr- Jun)	2022-23 (Apr-Jun)	% Change FY 24 over FY 23 for Apr-Jun
Production	1,442	1,898	1,610	2,160	2,152	511	543	-5.88

Source: Office of Textile Commissioner

During 2022-23, cotton yarn accounted for about 66% of the total yarn production in India while Blended and 100% Non-Cotton accounted for 33% of the production.

During 2022-23, the production of total spun yarn decreased by about 10.9% compared to the previous year. This decline was majorly due to the decrease in the production of cotton yarn which decreased by about 15.3% in 2022-23 compared to 2021-22 as shown in the table below:

Table 9: Production of Spun Yarn (mn Kg)

Particular	FY 19	FY 20	FY 21	FY 22	FY 23 (P)	2023-24 (Apr-Jun)	2022-23 (Apr-Jun)	% Change FY 24 over FY 23 for Apr-Jun
Cotton Yarn	4,208	3,962	3,625	4,063	3,441	952	903	5.40
Blended and 100% Non- Cotton	1,682	1,702	1,521	1,759	1,744	432	447	-3.31
Total Spun Yarn	5,890	5,664	5,146	5,822	5,185	1,384	1,350	2.52

Source: Ministry of Textiles



6. Important Policy Updates for the Indian Textile Industry and CITI's plan of action on the same

6.1. QCOs: Status of implementation of QCOs in the Indian Textile & Apparel Industry

Bureau of Indian Standards (BIS), the National Standards Body of India is engaged in the activities of Standardization, Conformity Assessment, and Quality Assurance of goods, articles, processes, systems, and services. The BIS certification scheme is voluntary in nature. However, for a number of products, compliance with Indian Standards is made compulsory by the Central Government under various

considerations. For such products, the Central Government directs mandatory use of Standard Mark under a License or Certificate of Conformity (CoC) from BIS through the issuance of Quality Control Orders (QCOs). After the date of commencement of the QCO, no person shall manufacture, import, distribute, sell, hire, lease, store, or exhibit for sale any product(s) covered under the QCO without a Standard Mark except under a valid License or CoC from BIS.

QCOs announced by the Government are aimed at achieving the below objectives:

Consumer Protection	Safeguard the interests of consumers by ensuring that the products they purchase meet the necessary quality standards.
Product Standardization	Promotes Consistency in the Quality of Products.
Industry Regulation	Regulates industries producing specific goods leading to an overall improvement in the industry's performance.
Improving International Trade	QCOs improves product quality thereby boosting exports and improving the country's reputation as a reliable supplier.
Prevents imports of Sub-standard products	QCOs ensure that sub-quality products not meeting the quality standards do not enter the domestic market.

Till date, the Government of India has announced several QCOs for the Textile Industry, details of which are as under:

QCO Order	Implementation Date
Viscose Staple Fibre QCO, 2022	29 th March 2023
Polyester Staple Fibres QCO, 2022	3 rd April 2023
Polyester Industrial Yarn QCO *, 2022	1 st July 2023
Polyester Continuous Filament FDY QCO, 2022	5 th October 2023
Polyester Partially Oriented Yarn QCO, 2022	5 th October 2023
Polyester Spun Grey & White Yarn QCO, 2022	5 th October 2023
Cotton Bales QCO, 2023	27 th August 2025

* Polyester Industrial Yarns yarns less than 500 (five hundred) deniers have been exempted from the QCO

The government has been extending its continuous support in the implementation of these QCOs and the industry too has been willing to implement the same and support the Government in its efforts to improve the quality of the textile products thereby boosting exports also.

However, the industry has also faced some challenges due to the QCOs, mainly related to the availability of Fibres/Filaments that are not manufactured by Indigenous manufacturers in the required quality or quantity. Many exporters of value-added textile goods (yarn, fabrics, garments, and made-ups) have to import these fibre/yarn under nominated businesses to meet the demands of the international buyers, sustain the export business already established, as also to grab the emerging export opportunities especially the new technology fibres that are not produced domestically. CITI from time to time has requested the Government to exempt such categories including:

- **Speciality Fibres/Filaments:** DEOCELL. substitute for spandex, SOLUCELL (Polyether ester), POLYLANA, etc.
- **Yarn:** Polyester Mother Yarn, Mechanical Stretch Yarn, Polyester Monofilament Yarn, Bi-Shrinkage Yarn (BSY), High tenacity yarn, etc.

CITI has also requested to form a committee constituting the TAG Chairman and other relevant industry stakeholders from both user and manufacturer industry. The committee may be entrusted with ensuring the availability of all types of raw materials (fibre/yarns) and also hold regular periodic reviews of the emerging specialized fibre/yarn categories which may be exempted from the scope of QCOs due to gap in supply/demand/price.

The industry appreciates the introduction of QCOs for ensuring the quality, health, and safety of Indian customers. Given the objectives, QCOs should be on final products only as the final product has an important bearing on consumer health & safety. Also, that will ensure that quality inputs are used throughout the production process.

Moreover, the QCOs being announced should be aligned with international standards and certifications so that it give additional benefits to the domestic manufacturers who are implementing such QCOs. At present, none of the standards of the BIS are recognized internationally.

Support extended by the Government

Based on the requests made by CITI and several other associations, the Government has provided the below-given exemptions to support the industry:

- Vide notification no. 71/2023 dated 11th March 2024, Directorate General of Foreign Trade has enabled provisions for imports of inputs that are subjected to mandatory Quality Control Orders (QCOs) (issued by the Ministry of Textiles) by Advance Authorization holders, EOU and SEZ units. The exemption was later extended to QCOs issued by the Department of Chemicals and Petrochemicals (DCPC).
- Vide Gazetted notification number S.O. 2878 (E) dated 18th July 2024 the Department of Chemical and Petrochemicals (DCPC) in India has exempted low-melt polyester yarn from Polyester Continuous Filament Fully Drawn Yarn QCO.
- Since the announcement of the Cotton Bales (Quality Control) Order, 2023, the industry has been reporting various implementation challenges, due to which CITI and various other associations have been requesting the Government to defer the implementation of Cotton Bales QCO. Considering the request favorably, Ministry of Textiles vide S.O.3469(E) dated 13th August 2024 has now further extended the implementation of Cotton Bales (Quality Control) Order, 2023 by 1 more year, and the same will now will come into force from the day of 27th August 2025.

The above exemptions have brought much-needed relief for the industry. CITI is continuously requesting the Government to consider other requests of the industry related to the QCOs as given above as also enabling QCO exemption provisions for intermediate Supply also under AA, EOU, and SEZ licenses.

6.2. Minimum Import Price for Knitted Fabric

On the basis of the industry's request, to tackle the rising imports of fabric categories particularly knitted fabric categories, which was taking place at prices much lower than viable domestic prices, the Government of India implemented a Minimum Import Price (MIP) of US\$ 3.5/kg on five specific HS codes of synthetic knitted fabrics, namely 60063100, 60063200, 60063300, 60063400, and 60069000.

Industry opined that after the imposition of the MIP on the above specific HSN codes, the fabric imported under HSN 6006 may be restored to imports under different HSN codes and opined to suggest the Government to fix an MIP of US\$ 3.5/Kg for all types of knitted fabrics.

Trade data suggests that after the imposition of the MIP, the import of fabric categories under HSN 6001 and 6004 has increased significantly while the unit import price has decreased for the same.

Imports of fabric categories placed under restriction of Minimum Import Price

HS Code	US\$ Mn			000 Kgs			Unit price (US\$/Kg)	
	Apr-Jun 2023	Apr-Jun 2024	% Change	Apr-Jun 2023	Apr-Jun 2024	% Change	Apr-Jun 2023	Apr-Jun 2024
60063100	1.11	3.34	2.01	505.95	330.97	-34.6%	2.19	10.09
60063200	66.96	27.01	-0.60	42346.33	5353.94	-87.4%	1.58	5.04
60063300	0.84	1.46	0.74	310.64	371.4	19.6%	2.70	3.93
60063400	8.89	9.44	0.06	3884.23	2546.43	-34.4%	2.29	3.71
60063500	-	-	-	-	-	-	-	-

Source: DGCI&S

Imports of other knitted fabric categories

HS Code	US\$ Mn			000 Kgs			Unit price (US\$/Kg)	
	Apr-Jun 2023	Apr-Jun 2024	% Change	Apr-Jun 2023	Apr-Jun 204	% Change	Apr-Jun 2023	Apr-Jun 2024
6001	19.83	41.98	111.7%	8,590.18	22,336.33	160.0%	2.31	1.88
6002	0.48	0.52	8.3%	113.49	101.10	-10.9%	4.23	5.14
6003	0.15	0.37	146.7%	53.48	54.64	2.2%	2.80	6.77
6004	23.49	33.32	41.8%	3,368.23	7,851.12	133.1%	6.97	4.24
6005	23.1	26.39	14.2%	15,095.74	16,337.76	8.2%	1.53	1.62

Source: DGCI&S

The above imposition of MIP of US\$ 3.5/kg on the five specific HS codes is applicable till 15th September only.

CITI has requested the Government to include all the knitted fabric categories under the purview of the Minimum Import Price of US\$ 3.5/kg and extend the above deadline of 15th September 2024 further.

6.3. Removal of Import Duty from cotton varieties of staple length above 32 mm

During the Budget presented on 2nd February 2021, the Government imposed an 11% import duty on cotton which affected the cost competitiveness of the entire cotton value chain as also the availability of certain varieties, especially

Extra Long Staple (ELS) cotton, which is not cultivated domestically in sufficient quantities and India has to rely on imports of the same.

CITI as well as other textile associations had been continuously requesting the Government to remove the import duty on cotton, if not all, then at least from the Extra Long Staple (ELS) cotton, for which India is dependent on imports from countries like USA, Egypt, etc. and the same is being used for producing high valued textile & apparel products mainly for exports purpose.

Government of India vide notification no. 10/2024-Customs dated 19th February 2024 have abolished the Import Duty on HSN: 5201 00 25 (Cotton, Other: of staple length exceeding 32.0 mm) starting from 20th February 2024. This

removal of duty will provide a much-needed relief to the industry.

In India, cotton is grown majorly by small and marginal farmers who sell their cotton in the peak season. Due to the issues of working capital, the industry also can keep only limited inventory with them and the industry has to rely on traders for the supply of the cotton during the off-season. Such traders, during the off-season, often supply cotton on the basis of import price parity, thus making domestic cotton more expensive than international cotton. At present, cotton fibre is 15-20% more expensive in India which is eroding the cost competitiveness of the downstream value-added cotton-based textile products.

The import duty that was imposed to safeguard the interest of farmers is not fulfilling its purpose, rather hurting the domestic cotton textile value chain.

Though the Government has already been kind enough to exclude Cotton of staple length exceeding 32.0 mm from the scope of import duty. However, it accounts for only about 30% of the total cotton imports by India, and the import duty still affects about 70% of the imported cotton.

In view of the above, CITI has been requesting the Government to remove the import duty from all other varieties of cotton and till it is removed permanently provide a window during the off-season of cotton (April-September) for duty-free imports of cotton of all varieties.



7 ■ Investment Schemes in Textiles

The flagship Technology Upgradation Fund Scheme (TUFS) has been instrumental in incentivizing investment in this sector. Since its phase out on 31st March 2022, there are no investment schemes for the large majority of the MSME units which account for about 80-90% of the total textile production. Under the TUFS scheme, the majority of the funds have been distributed to larger units.

Though the Government has announced schemes like PLI, aimed at creating global champions, the majority of the industry including the MSMEs need TUFS-like schemes with upfront capital subsidies and simplified application procedures to enable the industry to achieve the substantial capacity creation required to achieve a US\$ 350 bn textile market size including US\$ 100 bn exports by 2030.

CITI has proposed a Fixed Capital Investment Subsidy for the textile industry with the below-given particulars:

- Use Escrow account to enable monitoring of the fund disbursement, as was done in RR TUFS
- Use the monthly/yearly GST returns for monitoring the production process
- Mandatory certification of chartered engineers to avoid misdeclaration of the machines

Blacklisting of the company or machine supplier from existing and future Government schemes who are found indulging in any malpractices to misuse the scheme

The above scheme is proposed to be announced for at least 5 years to make any significant impact.

The above-proposed scheme is likely to give the below-given benefits to the industry as also the MSME:

Segment	% incentives on investment in new benchmarked machinery	Maximum Cap
Weaving / Knitting / Preparatory	25.00%	Rs.25 Cr
Processing	40.00%	Rs.75 Cr
Garmenting	15.00%	Rs.30 Cr
Technical Textiles	25.00%	Rs.30 Cr
ZLD ETP/RO/MEE (Zero Liquid Discharge) *	50.00%	Rs.10 Cr

- Instead of JIT, which used to be conducted during the earlier version of TUFS, below given mitigating measures are proposed to prevent the misuse of the scheme:
 - Geo-tagging of machines may be done to track the potential relocation of machinery
 - Floor prices of each benchmarked machinery may be fixed to avoid over-valuation. Such prices may be reviewed by the Office of Textile Commissioner from time to time
- This will benefit to Start-Ups Investors, who starts with a Medium Scale of Investment.
- This will also benefit to Units that do backward integration or who have a job work-based model.
- Existing Running Units that replace old machines with new machines will also be benefited

8. Budget 2024-25

8.1. Key-highlights of Budget 2024-25

Hon'ble Union Minister of Finance, Smt. Nirmala Sitharaman presented the budget for 2024-25 on 23rd July 2024, which was also her 7th finance budget. The budget was focused on employment, skilling, MSMEs, and the middle class.

In line with the strategy set out in the interim budget, the budget envisaged sustained efforts on the following 9 priorities for generating ample opportunities for all.

- 1) Productivity and Resilience in Agriculture
- 2) Employment & Skilling
- 3) Inclusive Human Resource Development and Social Justice
- 4) Manufacturing & Services
- 5) Urban Development
- 6) Energy Security
- 7) Infrastructure
- 8) Innovation, Research & Development and
- 9) Next Generation Reform

The key highlights of the budget related to the Textile Industry are:

1. New 109 high-yielding and climate-resilient varieties of 32 field and horticulture crops released for cultivation by farmers including cotton varieties

2. Employment & Skilling

a) Employment Linked Incentive Schemes

The Government will implement the following 3 schemes for the '*Employment Linked Incentive*', as part of the Prime Minister's package. These will be based on enrolment in the EPFO, and focus on recognition of first-time employees, and support to employees and employers.

o Scheme A: First Timers

This scheme will provide a **one-month wage to all persons newly entering the workforce in all formal sectors**. The direct benefit transfer of one-

month salary in 3 installments to first-time employees, as registered in the EPFO, will be up to ` 15,000. The eligibility limit will be a salary of ` 1 lakh per month. The scheme is expected to benefit 210 lakh youth.

o Scheme B: Job Creation in manufacturing

This scheme will incentivize additional employment in the manufacturing sector, linked to the employment of first-time employees. An incentive will be provided at a specified scale directly both to the employee and the employer with respect to their **EPFO contribution in the first 4 years of employment**. The scheme is expected to benefit 30 lakh youth entering employment, and their employers.

o Scheme C: Support to employers

This employer-focused scheme will cover additional employment in all sectors. All additional employment within a salary of ` 1 lakh per month will be counted. The government will reimburse to employers up to ` **3,000 per month for 2 years towards their EPFO contribution** for each additional employee. The scheme is expected to incentivize additional employment of 50 lakh persons.

b) Participation of women in the workforce

To facilitate higher participation of women in the workforce. **The Government will set up working women hostels in collaboration with industry, and establish creches**. In addition, the partnership will seek to organize women-specific skilling programs and promotion of market access for women SHG enterprises.

c) Skilling programme

20 lakh youth will be skilled over a 5-year period. 1,000 Industrial Training Institutes will be upgraded in hub and spoke arrangements with outcome orientation. Course content and design will be aligned to the skill needs of the industry, and new courses will be introduced for emerging needs.

3. Manufacturing & Services

The following measures have been announced to support the MSME sector:

a) Credit Guarantee Scheme for MSMEs in the Manufacturing Sector

For facilitating term loans to MSMEs for the purchase of machinery and equipment without collateral or third-party guarantee, a credit guarantee scheme will be introduced. The scheme will operate on the pooling of credit risks of such MSMEs.

A separately constituted self-financing guarantee fund will provide, to each applicant, a guarantee cover up to ₹ 100 crore, while the loan amount may be larger. The borrower will have to provide an upfront guarantee fee and an annual guarantee fee on the reduced loan balance.

b) New assessment model for MSME credit

Public sector banks will build their in-house capability to assess MSMEs for credit, instead of relying on external assessment. They will also take a lead in developing or developing a new credit assessment model, based on the scoring of digital footprints of MSMEs in the economy. This is expected to be a significant improvement over the traditional assessment of credit eligibility based only on asset or turnover criteria. That will also cover MSMEs without a formal accounting system.

c) Credit Support to MSMEs during the Stress Period

A new mechanism for facilitating the continuation of bank credit to MSMEs during their stress period has been announced. While being in the 'special mention account' (SMA) stage for reasons beyond their control, MSMEs need credit to continue their business and to avoid getting into the NPA stage. Credit availability will be supported through a guarantee from a government-promoted fund.

4. Energy Security

An investment-grade energy audit of traditional micro and small industries in 60 clusters, including brass and ceramic, will be facilitated. Financial support will be provided for shifting them to cleaner forms of energy and implementation of energy efficiency measures. The scheme will be replicated in another 100 clusters in the next phase.

5. Infrastructure

- a) Central Government will provide ₹ 11,11,111 crore for capital expenditure towards infra development.
- b) Investment in infrastructure by the private sector will be promoted through viability gap funding and enabling policies and regulations.

6. Foreign Direct Investment and Overseas Investment

- a) The rules and regulations for Foreign Direct Investment and Overseas Investments will be simplified to
 - Facilitate foreign direct investments,
 - Nudge prioritization, and
 - Promote opportunities for using Indian Rupee as a currency for overseas investments.

7. Indirect Taxes

- a) To support the energy transition, Government expanded the list of exempted capital goods for use in the manufacture of solar cells and panels in the country.
- b) To enhance the competitiveness of exports in the leather and textile sectors, BCD on real down-filling material from duck or goose has been reduced. Further, the list of exempted goods for manufacture of leather and textile garments, footwear, and other leather articles for export has also been extended.
- c) To rectify inversion in duty, BCD on methylene diphenyl diisocyanate (MDI) for manufacture of spandex yarn from 7.5 to 5 percent, subject to conditions.
- d) It was proposed to undertake a comprehensive review of the rate structure over the next six months to rationalize and simplify it for ease of trade, removal of duty inversion, and reduction of disputes.

8.2. Budget Grant Analysis for 2024-25

- Budget grant for textiles for the year 2024-25 has increased by about 28.3% as compared to the year 2023-24.
- The allocation for all other textile items remains the same as was announced during the interim budget, except for PLI whose grant has increased to Rs 45 crore for 2024-25 as compared to Rs 5 crore during the interim budget.
- Major highlights for the textile grant are:
 - Increased allocation of Rs 600 crore for CCI MSP operations for year 2024-25.
 - Overall allocation for research and capacity building increased by 80.3% for 2024-25 as compared to 2023-24 majorly due to

increased allocation for PLI and NTTM schemes.

- PM MITRA also witnessed an allocation of Rs 300 crore in 2024-25 as compared to Rs 52.3 crore in 2023-24.
- Allocation for RoDTEP and RoSCTL also increased by 5.8% and 10% respectively for the year 2024-25 as compared to 2023-24.

Table 1: Analysis of Demand of Grants for the Textile Sector in Budget 2024-25 (Rs Cr)

Particular	2022-23 (Actual) (Rs Cr)	2023-24 (Budget) (Rs Cr)	2023-24 (Revised) (Rs Cr)	2024-25 (Budget) (Rs Cr)	% Change 2024-25 (Budget) to 2023-24 (Revised)
Total-Establishment Expenditure of the Centre	328.93	376.95	385.51	375.41	-2.6%
Central Sector Scheme/Project					
Amended Technology Upgradation Fund Scheme (ATUFS)	674.50	900.00	675.00	635.00	-5.9%
Procurement of Cotton by Cotton Corporation under Price Support Scheme	678.99	0.01	0.01	600.00	-
Total-National Handloom Development Programme	152.51	200.00	190.00	200.00	5.3%
Total-National Handicraft Development Programme	177.56	278.33	171.19	236	37.9%
Total-Integrated Wool Development Programme	6.38	27.11	13.50	20.00	48.1%
Total-Development of Silk Textiles	874.99	917.77	875.00	900.00	2.9%
Total-Development of Jute Industries	57.91	142.00	103.00	80.00	-22.3%
Total-Textile Infrastructure	90.54	60.00	26.00	30.00	15.4%
Research and Capacity Building					
PLI Scheme	7.08	5.00	5.00	45.00	-
Integrated Scheme for Skill Development	23.27	115.00	115.00	166.00	44.3%
National Technical Textile Mission	36.15	450.00	170.00	375.00	120.6%

Textile Cluster Development Scheme	66.81	141.54	70.00	100.00	42.9%
Others- Research & Capacity Building	31.43	0.02	20.50	-	-100.0%
Total-Research and Capacity Building	164.74	711.56	380.50	686.00	80.3%
Scheme for Usage of Geo Textiles in North East	2.53	-	1.37	-	-100.0%
PM-MITRA	-	200.00	52.30	300.00	473.6%
Raw Material Supply Scheme	139.70	160.00	160.00	172.17	7.6%
Scheme for Protection of the Handlooms and Implementation of the Handlooms (Reservation of Articles for Production) Act, 1985	5.00	7.00	7.00	7.00	0.0%
Total Central Sector Scheme/Project	3,025.35	3,603.78	2,654.87	3,866.17	45.6%
Other Central Sector Expenditure	(45.13)	408.61	402.71	175.45	-56.4%
Total Budget Allocation	3,309.15	4,389.34	3,443.09	4,417.03	28.3%

Source: Expenditure Profile, Union Budget 2024-25

Table 2: Analysis of Demand of Grants for Various Trade Promotion Policies under the Ministry of Finance in Budget 2024-25 (Rs Cr)

Particular	2022-23 (Actual) (Rs Cr)	2023-24 (Budget) (Rs Cr)	2023-24 (Revised) (Rs Cr)	2024-25 (Budget) (Rs Cr)	% Change 2024-25 (Budget) to 2023-24 (Revised)
Remission of Duties and Taxes on Exported Products (RoDTEP)	13,174.67	15,069.34	15,669.34	16,575.00	5.8%
Rebate on State and Central Taxes and Levies (RoSCTL)	7,658.72	8,404.66	8,404.66	9,246.00	10.0%

Source: Expenditure Profile, Union Budget 2024-25

9. Indian Textile Industry towards a US\$ 350 bn market size with Sustainability at its core

India is among the world's largest textile producers and exporters, with a diverse range of products spanning cotton, jute, silk, and synthetic fibers. The industry contributes significantly to the country's economy, employing millions, particularly in rural areas. Sustainability has emerged as a non-negotiable aspect of the global textile trade, with consumers and brands in major markets like the EU-27 prioritizing eco-conscious products. India's textile sector is aligning itself with this shift by adopting environmentally responsible practices such as Green Manufacturing, Circular Economy, Waste reduction Initiative, etc.

As global demand for sustainable products is increasing, the Government as also the industry are taking considerable steps to enable the Indian textile industry to capitalize on this trend and move towards achieving the visionary target of US\$ 350 bn by 2030.

9.1. Initiatives by the Government

The Government of India has introduced several policies to facilitate the industry's growth while promoting sustainability such as:

9.1.1 Constitution of an ESG (Environmental, Social, Governance) Task Force

The Ministry of Textiles has recently constituted an ESG task force to enable the Textile & Apparel (T&A) Sector to transition to a Circular and Sustainable Sector. ESG task force is aimed towards engaging in deliberations with stakeholders of the industry in ascertaining the current status and issues in adopting sustainable production models which will enable the transition of the textile industry to a sustainable and resource-efficient production system. This transition will empower the Indian textile industry to position itself on the global map as a major player in sustainable and circular textiles.

The ESG task force comprises of various industry associations including CITI, EPCs, think tanks, and various service providers in the ESG sector.

The Government is holding regular consultations of the ESG task force to assess the existing/requisite policy frameworks

and work towards formulating a sustainability framework with clear deliverables that is essential for transitioning Indian textile value chains from linear to circular.

9.1.2 Preparation of Best Available Techniques (BAT) Reference Document/ COINDS Document for the Textile Sector in India

Central Pollution Control Board (CPCB) has signed an MoU with UBA (German Environment agency) & GIZ to develop a BREF/COINDS Document for the Textile sector in India.

Central Pollution Control Board (CPCB) has constituted a Consultative Group of Experts (CGE) including CITI, to provide valuable inputs and suggestions for identifying such techniques in terms of water consumption, chemical consumption, energy consumption, cost savings, product quality & overall efficiency, etc. Implementation of such techniques will also enable the industry towards a more sustainable manufacturing process.

CPCB is holding regular meetings of the CGE to identify the above-said techniques.

9.2. Initiatives of CITI

9.2.1 CITI-ILO collaboration to promote Fundamental Principle and Rights at Work (FPRW) among cotton growing community

India is the 2nd largest producer and consumer of cotton in the world and the same is being grown in 11 major states across India by about 6.5 million cotton farmers. In India, the average land holding size is about 1.26 ha. Besides the regular farmers, of which about 40% are women, a large number of migrant labors are also engaged as farmers with leased land in cotton cultivation in India.

Hence this sector is exposed to a number of vulnerabilities that are being misrepresented by many of the international NGOs/agencies. One such report was recently published by 'Transparentem' in July 2024 titled "Opportunities and Challenges in India's Cotton Sector". Moreover, Indian cotton cultivation is already listed in the reports of the US Department of Labor for the presence of Child Labour. More such reports like of Transparentem, will have a negative impact on Indian textile companies.

To address such vulnerabilities and ensure better institutional support mechanisms for the vulnerable segment of the cotton growing community, CITI has entered into an agreement with ILO to create more awareness about Fundamental Principles and Rights at Work (FPRW) among the cotton growing community, with a focus on small and marginal farmers and workers.

The FPRW initiative focuses on promoting five crucial aspects within the cotton value chain:

- The effective recognition of freedom of association and the right to collective bargaining (FOA & CB)
- The elimination of child labor
- The abolition of forced labor
- The elimination of all forms of discrimination
- The promotion of a safe and healthy working environment among cotton cotton-growing community in India.

This collaboration is aimed at facilitating knowledge sharing and providing technical support to implement policies and programs related to FPRW, enhance access and utilization of social protection schemes/programs, and empower vulnerable families engaged in cotton cultivation.

CITI will implement the project through the Cotton Development and Research Association (CDRA) and the first year of the project will be implemented in the major cotton-producing districts of the state of Madhya Pradesh.

The program was officially launched on 13th August 2024 in Delhi in the presence of representatives from the Ministry of Agriculture, CICR, ICAR, Trade Unions, and industry.



Launch of the CITI-ILO Collaboration on 13th August 2024 in the presence of representatives from the Ministry of Agriculture, CICR, ICAR, Trade Unions, and industry.

ILO has already conducted 5 days “Training of Trainers” program for 9 members of CITI-CDRA. The program educated the attendees on the principles of FPRW as also various other aspects of Occupational Safety and Health.



CITI-CDRA team members during the 5 days of training conducted by ILO

During the 1 year of this program, CITI-CDRA team members will educate and train about 1500 direct farmers and 7500 indirect farmers on the various aspects of FPRW.

This CITI-ILO collaboration will not only create awareness of FPRW but also help in the documentation of such efforts at the institutional level to demonstrate the commitment of Indian Institutes in the cotton value chain toward creating awareness of child and forced labor

Various good practices in this regard will also be uploaded on the website www.ecotton.dac.in, which CITI is developing for the Pilot Project on Cotton and will thus have a cascading effect on the farmers of other states as well.

The collaboration of CITI-ILO on promoting FPRW is a significant step towards achieving social sustainability in India's cotton sector. This partnership not only strengthens the industry's commitment to improving labor standards but also fosters an environment that prioritizes the well-being of workers, ensuring that economic growth goes hand in hand with social equity.

9.2.2 Promotion of Regenerative Agricultural Practices

CITI through its arm Cotton Development and Research Association (CDRA) has started working towards innovative regenerative and sustainable farming solutions, with an aim to bridge the gap between agriculture and textile production and thus foster a harmonious relationship between the environment and industry.



CITI-CDRA team demonstrating regenerative agriculture practices to farmers

With this initiative, CITI-CDRA will work towards enhancing agronomic practices, soil and environmental health, farmers' income, and social welfare, and addressing the industry's need for sourcing better quality regenerative cotton.

Under the first year of the project, activities will be carried out in the Khargone district of Madhya Pradesh by involving about 260 farmers over an area of 200 hectares. During the project, demonstrations of various Regen Activities including Biochar, carbon sequestration, etc. to all the beneficiary farmers and about 75% of such farmers will be certified.

This development is an effort of CITI to be at the forefront of regenerative and sustainable agriculture, offering environmentally conscious alternatives that minimize the ecological footprint of the fashion and textile industry.

9.2.3 CITI's MoU with Fair Wear

The textile industry is increasingly being faced with growing requirements on the various social and environmental compliance requirements and proper disclosure formats to report on the same.

In this regard, several of the European countries have already brought in mandatory guidelines for reporting on due diligence on ESG parameters. Companies, including brands and retailers, in the context of the United Nations Guiding Principles on Business and Human Rights (UNGPs,) the OECD, Due Diligence Guidance for Responsible Supply Chains in the Garment Sector (OECD Guidelines), and upcoming/existing Human Rights and Environmental Due Diligence (HREDD) legislations, will have the responsibility

to assess, identify, prevent, mitigate and remediate risks and violations in their supply chain.

Given the growing need for more awareness and capacity building in this area, CITI has entered into an agreement with the Fair Wear Foundation to raise awareness of HRDD and greater engagement of the industry in this area to facilitate improved industry action through more information and validation to enable impactful due diligence action and reporting.

The areas of collaborative activity include:

- CITI together with Fair Wear will have meetings with the senior-level management of the leading suppliers for an understanding of the requirements and challenges of implementing the HRDD framework.
- Organise small cluster-level workshops along with our regional associations in the textile clusters of Coimbatore, Bangalore, Ahmedabad, Mumbai and Delhi for training of the industry members on HRDD.
- To ensure an institutional long-term repository of the technical know-how of the HRDD content and implementation, CITI will anchor a Facilitation Hub at the CITI office to service industry queries, capacity building needs, and initial handholding of the industry members who want to get trained on the HRDD framework.
- Support or co-host supplier-facing learning and capacity-building events on HRDD at production locations.
- To work on the dissemination of practical tools aimed at the improvement of purchasing practices;

After the first cluster meeting held in Delhi on 1st March 2024, CITI organized two pivotal workshops in Surat and Coimbatore, on 24th July 2024 and 26th July 2024 respectively, in partnership with The Southern Gujarat Chamber of Commerce and Industry (SGCCI) and the Southern India Mills Association (SIMA). These workshops were designed to deepen participants' understanding of the Corporate Sustainability Due Diligence Directive (CSDDD) and Human Rights Due Diligence (HRDD) within the textile sector, reflecting a significant shift towards enhanced regulatory compliance and sustainability practices.



SG CITI, Ms. Chandrima Chatterjee and President SGCCI, Shri Vijay Mevawala felicitating the speakers at Surat workshop.



SIMA Chairman, Dr S K Sundararaman, CITI Past Chairman, Shri T. Rajkumar, SG CITI, Ms. Chandrima Chatterjee, industry representatives and speakers at Coimbatore workshop

During the workshops, a detailed session on chemical compliance and regulatory standards like REACH and consumer product safety legislation, as well as voluntary certifications such as OEKO-TEX®, ZDHC, GOTS, and bluesign® was also organized with insights from the Regulatory Representatives and Managers Association

(RRMA). The session emphasized the European Green Deal and the EU Chemicals Strategy for Sustainability as key drivers of change, equipping attendees with a comprehensive understanding of the regulatory landscape and best practices for managing chemicals in the textile supply chain.

The workshops witnessed active participation from the industry. After these cluster-level workshops, CITI is also planning to start a Helpdesk to facilitate updates and a

better understanding of the legislation as for dialogue, learning, and collective problem-solving.

The next 2 workshops in this series are planned for Mumbai and Bangalore tentatively during the 5th and 7th November 2024 respectively.

The multiplicity of the requirements, the dynamic nature, and the growing mandatory nature will make such platforms important for industry.

9.2.4 CITI's Management Development Program on ESG

As markets like the EU are increasing their focus on various due regulations and compliances towards safeguarding human rights and the environment with an increased focus



The inaugural batch of CITI's MDP held at Mumbai during 29th – 31st August 2024

on sustainability, circularity, and recyclability. Moreover, closer home national legislation changes are also making it imperative for the industry including the textile industry to know and to understand the ESG requirements and reporting frameworks.

To enable the industry to have sustainability managers who are informed and equipped to draw up a target-based ESG roadmap and good reporting systems, CITI has started a customized Management Development Program for textile and apparel industry managers.

The Inaugural batch of CITI's MDP-ESG was held from August 29 to August 31, 2024, at the Bombay Textile Research Association (BTRA), Mumbai.

This three-day program served as a pivotal platform, bringing together industry leaders, experts, and academics to engage in deep discussions and knowledge sharing on critical ESG topics relevant to the textile sector.

3 days residential program of CITI's MDP was concluded with the Certificate Distribution Ceremony held in the presence of the Chief Guest, Ms. Roop Rashi (Textile Commissioner).

During the 3 days of the CITI's MDP program, the Subject Matter Experts from institutes like IIM Mumbai, Monash University Australia, ILO, Regulatory Representatives and Managers Association (RRMA), Toxic Links, Partner in Change as also industry experts from TEXPROCIL, Indo-Count, Sulochna, etc. touched upon the various crucial aspects of ESG such as:

- Sustainable Water Management and Circular Economy,
- Social aspects, Chemical Compliance, and Hazardous Materials Management,
- Real-life scenarios of Life Cycle Assessment,

- Different reporting frameworks for MSMEs, etc.
- Environmental Regulations & Compliance
- Extended Producer Responsibility (EPR)
- Disclosure on Environmental Impact, Social Responsibility, and Integrated Reporting
- Effectiveness of various frameworks,
- Understanding National Guidelines for Responsible Business Conduct (NGRBC) and Business Responsibility and Sustainability Reporting (BRSR), etc

The event was a great success with active participation from the representatives of the well-known textile companies and looking at the success of the event, CITI is looking to hold the 2nd batch of the MDP program soon in Bangalore, the other important textile cluster of India.



Textile Commissioner Ms. Roop Rashi distributing the certificate to the MDP Participants

10. REPORT ON CITI CDRA ACTIVITIES IN 2022-23

10.1. Cotton Collaborative Project 2023-24

Since 2006, CITI-CDRA has been actively engaged in extension programs across Maharashtra, Rajasthan, and Madhya Pradesh, funded through CSR initiatives.

Throughout this period, CITI-CDRA conducted various activities aimed at enhancing cotton yield and quality. These included Field Level Demonstrations (FLDs) and training sessions on advanced production technologies and nutrient management, contributing to the economic advancement of farmers.

In the 2023-2024 period, CITI-CDRA successfully implemented Cotton Collaborative Projects in Rajasthan, Maharashtra, and Madhya Pradesh. This marked the 17th year of the project in lower Rajasthan, the 9th year in Maharashtra, and the 7th year in Madhya Pradesh.

The project was executed in collaboration with the Divisional Joint Director of Agriculture, Nagpur Division; Nuzivid Seeds; CICR Nagpur; Indocount Foundation,

Mumbai (MS); Wacker Metroark Chemicals, Kolkata (WB); Gimatex Industries, Hinganghat (MS); South Asia Biotechnology Centre, Jodhpur (Raj); and the member mills of the Mill Owners Association, Mumbai.

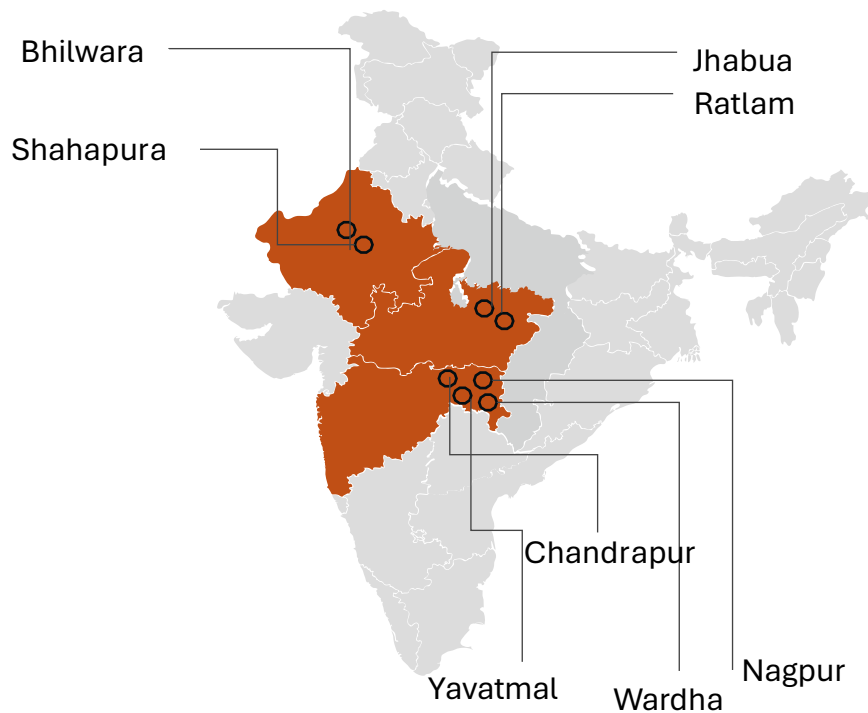
For the 2023-2024 period, CITI-CDRA focused on the Wardha, Nagpur, Chandrapur, and Yavatmal districts, with the objective of benefiting cotton farmers.

In Madhya Pradesh, the project emphasized the cultivation of Extra Long Staple (ELS) DCH-Variety cotton, aiming to improve technology adoption and the quality of long-fiber cotton. This effort involved collaboration with INDO-COUNT, VARDHMAN Textiles, KVK, and the State Agriculture Department.

Additionally, in Rajasthan, CITI-CDRA partnered with the respective State Agriculture Departments, Regional Textile Mills Associations, and Nitin Spinners to further the success of the Cotton Collaborative Project.

Area Coverage

- States- 3**
- District- 8**
- Cluster- 20**
- Village- 293**
- Farmers- 27012**
- Area- 41600 ha**



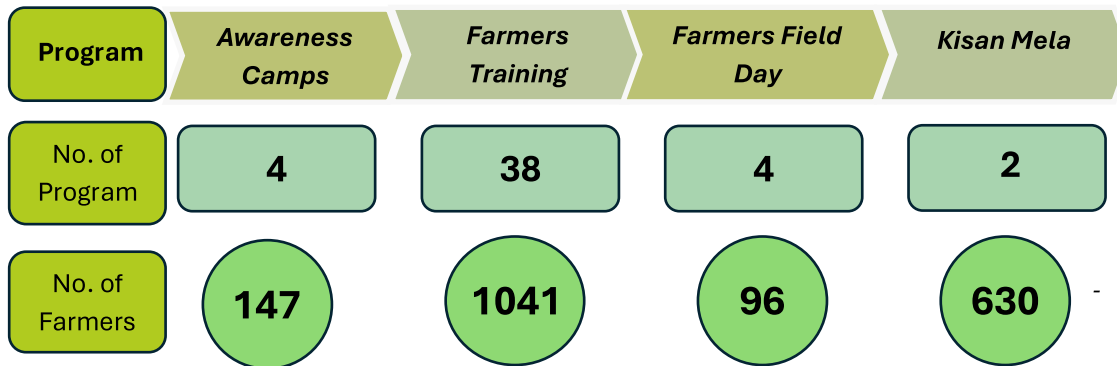


CITI-CDRA Mumbai team inaugurating PBW Awareness Program through Mobile Van



Field Inspections being conducted by CITI-CDRA team

Extension Activities



CITI CDRA Project areas in the year 2023-24

Maharashtra

Sr No.	District	Clusters	Village	Farmer	Area Covered (in HA)
1	Nagpur	Saoner	17	1569	2819.20
2		Parsheoni	16	1374	1885.20
3		Kuhi	16	1565	2492.40
4	Wardha	Samudrapur	16	1596	2692.00
5	Yavatmal	Ralegaon	16	1613	3054.40
6		Kalamb	16	1600	3425.60
7	Chandrapur	Warora	21	2221	4684.00
8		Bhadravati	21	2058	3108.80
			139	13596	24161.60

Rajasthan

Sr No.	Districts	Clusters	Village	Farmers	Area Covered (in HA)
1	Bhilwara	Ashaholl Banera	36	2700	2650
2	Shahpura	Karoi	16	1461	1350
			52	4161	4000

Madhya Pradesh

Sr. No.	District	Clusters	Village	Farmer	Area Covered (in HA)
1	Ratlam	Ratlam	10	138	276
2		Sailana	11	134	260
3		Bajna	11	221	443
4		Raoti	10	252	510
5	Jhabua	Meghnagar	10	1430	2000
6		Rama	10	1440	2000
7		Ranapur	10	1400	2000
9		Petlawad	10	1440	2000
10		Thandla	10	1440	2000
11		Jhabua	10	1450	2000
				102	9345

Outcome of the activities of the CITI-CDRA collaborative project

In the areas of the CITI CDRA collaborative project, an average increase in cotton yield has been observed/achieved compared to the yield in non-project/other department cotton-cultivated areas. This increase amounts to 12 % in Rajasthan, 8% in CITI CDRA areas of Maharashtra, and 5 % in Madhya Pradesh when compared to the agriculture department figures.

10.2 Pilot Project on Cotton

Ministry of Agriculture & Farmers Welfare has approved a Special Project on Cotton of ICAR-CICR titled 'Targeting Technologies to agro-ecological zones – large scale demonstrations of best practices to enhance cotton productivity' under NFSM during 2023-24. Ministry of Textiles is also part of the review and steering group of the project. The objective of the project is to boost cotton productivity in a cluster-based and value chain approach in Public Private Partnership (PPP) mode with the participation of ICAR-CICR, Nagpur; CITI & SIMA; Seed Industry Associations (NSAI and FSII); Extension partners (Cotton

Development and Research Associations of CITI and SIMA; Agricultural Technology Application Research Institutes & their Krishi Vigyan Kendras); State Departments of Agriculture-ATMA), Textile partners and Cotton Corporation of India (CCI).

The Pilot Project comprises of three technologies, namely

- High-density planting system,
- Closer Spacing planting system,
- Production technology for ELS cotton.

The objective of the Special project is to enhance the productivity of rainfed cotton on marginal soils: from 350 kg lint/ha to 750 kg lint/ha under HDPS in drought-prone areas, from 600 kg lint/ha to 1000 kg lint/ha under closer spacing, ELS Variety: ~350 kg lint/ha Targeted Productivity of ELS Variety: >500 kg lint/hand in ELS Hybrid: 750 kg lint/ha.

CITI CDRA was one of the important implementing partners of the project and was allocated 3,160 hectares of land across Rajasthan, Maharashtra, and Madhya Pradesh from a total project area of 15,358 hectares for extension activities, including High-Density Plantation Systems (HDPS), closer

spacing, and Extra Long staple (ELS) interventions. Demonstrating an unwavering commitment to achieving full project coverage, CITI CDRA successfully delivered extension services to approximately 4,850 farmers across 10 districts and 537 villages.

Rajasthan

- CITI CDRA was allotted 240 ha area with Closer spacing technology and a subsequent addition of 200 ha ELS from the adjoining Madhya Pradesh area for the Pilot Project in Rajasthan.
- We successfully achieved 100% of our target area, covering 10 clusters in 3 districts namely Bhilwara, Chittorgarh, and Rajasmand and with a total of 600 woman farmers for closer spacing and approximately 500 farmers for ELS in one cluster of Banswara district.



CITI-CDRA Project Coordinator Shri P N Sharma inspecting the cotton crop and advising the farmers for further steps

- Emphasizing women's empowerment, the Pilot Project focused on selecting 100% women farmers for the Closer Spacing area. These women were also engaged as laborers in the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) program of the Government of India.
- Additionally, CITI CDRA established 60 demonstrations on Mycorrhiza across 60 acres of the Pilot Project (6 acres per cluster) and 50 demonstrations on Agnihotri across 50 acres as part of good agricultural practices.

Maharashtra

- CITI CDRA was allotted 351 hectares for High-Density Plantation Systems (HDPS) technology and 49 hectares for Closer Spacing in the Pilot Project in

Maharashtra.

- We have achieved 400 ha from the target area, covering 14 clusters of 2 districts namely Nagpur and Wardha with a total of 577 farmers.
- For 336.4 hectares, CITI CDRA supplied seeds to farmers through ANKUR Seeds and RASI Seeds on credit for 2 months. This arrangement was necessary because the recommended seed rate for the project was 15 packets per hectare. However, due to the limited capacity of small and marginal farmers, who typically use only 5 or 6 packets per hectare, farmers were unable to afford the additional seeds. To ensure project success, CITI CDRA provided the seeds on credit.
- Following instructions from the Central Institute for Cotton Research (CICR), CITI CDRA covered the remaining 49 hectares with Closer Spacing. As a result, the project in Maharashtra met its target of 400 hectares, achieving 100% coverage with 351 hectares dedicated to HDPS and 49 hectares to Closer Spacing.

Madhya Pradesh

- CITI CDRA was allotted 2,040 hectares for Extra Long staple (ELS), covering 12 clusters in 3 districts: Jhabua, Ratlam, and Dhar. Additionally, 480 hectares for Closer Spacing were allocated across 10 clusters in 2 districts: Alirajpur and Dhar. This resulted in a total of 2,520 hectares under the Pilot Project in Madhya Pradesh.



Training on PB knot technology conducted by CITI-CDRA team

- To meet the project targets, Banswara district in Rajasthan was added under the guidance of the Central Institute for Cotton Research (CICR) due to limitations in approved seed availability in the State.



Farmers attending the Kisan Mela conducted at Jhabua, MP

- CITI CDRA achieved 100% coverage for both Closer Spacing and ELS interventions.
- A total of 1,600 packets of Shakti BT (for Closer Spacing) and 1,363 packets of SIMA Platinum (for ELS) were purchased on credit from SIMA. Additionally, 1,000 packets of ELS seeds (Bumbac) were arranged through RASI, and 150 packets were sourced through MAHYCO

- CITI-CDRA team conducted 3 to 4 surveys due to a shortage of ELS seeds and ongoing replacement needs. Approximately 3,000 farmers were surveyed in for data collection, which included personal details, bank information, and other farmer-related data.

Outreach of Extension Activities

Under the ICAR CICR guidelines, we organized extension programs designed to enhance cotton cultivation technology for farmers. These programs focused on imparting advanced techniques, pest management strategies, and sustainable practices. Through practical training sessions, demonstration plots, and comprehensive resource materials, we successfully aimed to boost productivity and improve overall crop management.

Yield increase in Pilot Project on Cotton

CITI-CDRA achieved a noteworthy increase in yield in its area; 22.5% under High-Density Plantation in Maharashtra, 24% in Closer Spacing in Rajasthan, and 8% in improvement ELS varieties in Madhya Pradesh the good practices being followed under the project.

State	Farmers Training		Field Days		Workshop		Kisan Mela	
	No. of Training	Farmers	No. of Training	Farmers	No. of Training	Farmers	No. of Training	Farmers
Rajasthan	27	2327	16	1854	2	700	2	755
Maharashtra	27	2300	27	2392	3	430	2	425
Madhya Pradesh	51	3328	29	1881	5	1266	6	1644

11. CITI's Participation in Skill Development Schemes

CITI is implementing the Skill Development training programme in the Samarth Scheme under the Ministry of Textiles and Pradhan Mantri Kaushal Vikas Yojana (PMKVY 4.0) with National Skill Development Corporation (NSDC) under the Ministry of Skill Development and Entrepreneurship (MSDE).

The broad objective of the Schemes is to provide demand-driven, placement-oriented National Skills Qualifications Framework (NSQF) compliant skilling programmes to

incentivise and supplement the efforts of the industry in creating jobs in the organized textile and related sectors.

CITI has got the mandate to train 6565 youth by March 2025 under the Samarth Scheme and 16,895 (Short Term training – 7125 and Upskilling (through RPL) – 9,770) youth by March 2025 in under Textile sector under PMKVY 4.0. in the FY 2023-24 CITI has certified 2206 candidates in Samarth Scheme and 526 candidates certified in PMKVY 4.0 Upskilling (through RPL) Scheme.

CITI's Skill Development projects status in the FY 2023-24 (till 31st March 2024)

Scheme	Training Type	Total number of Candidates Certified/enrolled in the FY 2023-24	Number of Industry Training Centres of CITI across India in the FY 2023-24
Samarth Scheme	Short Term Training (STT)	2206	102
PMKVY 4.0	Upskilling (through RPL)	526	14



Pre-Screening Orientation Programme in PMKVY



KOB Medical Textiles Private Limited, TAMILNADU



Omax Cotspin Private Limited, Gujarat

Training and Orientation Programme in PMKVY



Omax Cotspin Private Limited, Gujarat



KOB Medical Textiles Private Limited, TAMILNADU

Certificate Distribution Ceremony in PMKVY



KOB Medical Textiles Private Limited, TAMILNADU



Kiran industries private limited, Gujarat

Training and Orientation Programme in Samarth Scheme



CITI- Vishwaa Apparels, Andhra Pradesh



Sreeja Educational Welfare Society, ANDHRA PRADESH

Training Kit distribution in Samarth Scheme



WildLotus Fashions, Odisha



Sewa Shram Shakti Foundation Skill Centre, Delhi

Certificate Distribution Programme in Samarth Scheme



Sewa Shram Shakti Foundation Skill Centre, Delhi

12.

Major Activities of CITI



81ST PLENARY MEETING OF THE INTERNATIONAL COTTON ADVISORY COMMITTEE (ICAC)



Mr. Piyush Goyal, Hon'ble Union Minister of Textiles, inaugurating the 81st Plenary Meeting of ICAC in presence of Shri Suresh Kotak, Chairman, TAG & Chairman, Kotak Ginning & Pressing Co.; Smt. Rachna Shah, Secretary (MoT), Smt. Prajakta L. Verma, JS (MoT), Shri Atul Ganatra, President, CAI & Shri Rakesh Mehra, Chairman, CITI.

The 81st Plenary meeting of the International Cotton Advisory Committee (ICAC) kicked off at Mumbai's Jio Convention Centre on December 2, 2023, graciously hosted by the Ministry of Textiles. CITI, standing as a key Co-host among four organizations, played a pivotal role in the proceedings.

Honourable Mr. Piyush Goyal, Minister of Textiles, Commerce & Industry, and Consumer Affairs, Food & Public Distribution for the Government of India, revealed a commemorative postal stamp featuring Kasturi Cotton Bharat. Themed 'Cotton Value Chain: Local Innovations for Global Prosperity,' the event marked the launch of the 'Bharat Tex 2024' initiative. The minister also introduced the 'Kasturi Cotton Bharat' brand, emphasizing its 100% traceability and certification, envisioning it as a symbol of top-notch quality globally. Comprehensive efforts in the value chain, India aims for The Kasturi Cotton Bharat brand is a private sector initiative with government support. With its launch and a prominent position in the global textile value

chain," stated Minister Goyal. He expressed confidence that, with collective efforts and technological advancements, India's textile industry could reach USD 250 billion by 2030, with textile exports hitting USD 100 billion.



ICAC Souvenir released by Hon'ble Textile Minister Mr. Piyush Goyal

CITI ACTIVITIES...



Mr Rakesh Mehra, Chairman, CITI in session



Ms. Chandrima Chatterjee, SG, CITI addressing the session

The meeting delved into crucial aspects like textile demand and supply, economic impacts of cotton production, market trends, trade subsidies, and government support, underscoring the industry's importance. Notable discussions focused on Social, Environmental, and Economic Performance of Cotton Production (SEEP) and the Commercial Standardization of Instrument Testing of Cotton (CSITC). Sessions focusing on leveraging technology for enhanced productivity were organized, concluding the inaugural day in Mumbai with a vibrant cultural program.

On the second day, the agenda covered diverse sessions on the international economics of cotton production, the global outlook of the cotton market, World Cotton Trade, and specialty cotton. Industry experts presented comprehensive reports on the global cotton economy. Discussions extended to forecasting global textile demand and supply, addressing the impact of subsidies on the cotton industry, and initiatives focused on sustainability and quality assurance.

Ms. Chandrima Chatterjee, Secretary General of the Confederation of Indian Textile Industry (CITI), presented



Smt. Roop Rashi, IA&AS, Textile Commissioner alongwith other speakers

recommendations from brands and retailers on policy formulation for traceability. Sessions tackled crucial aspects such as the shift to sustainable farming practices, the adoption of price risk management in cotton, and challenges related to pest management in the industry.

The day concluded with a lively cultural program skill fully hosted by CITI and the CAI.



INTEX INDIA - THE PREMIER INTERNATIONAL TEXTILE SOURCING SHOW HELD ON 7-9 DEC 2023

Some glimpses from INTEX INDIA- The Premier International Textile Sourcing Show to be held on 7 -9 Dec 2023 where CITI was an industry partner. Ms. Chandrima Chatterjee, Secretary General, CITI, was invited as a Special guest for the opening ceremony.



Ms. Chandrima Chatterjee, Secretary General, CITI Moderating the Session 1: Fibres of Change at Intex Textile Conclave, Yashobhoomi, Delhi on 7th December 2023. Others in the picture: Mr. Ujwal Lahoti, Executive Chairman, Lahoti Overseas Ltd., Mr. Sanjay K Jain, MD, TT Ltd, , Mr. RK Vij, Advisor, Indo Rama Synthetics and Mr. Sarathy TG, Director, Operations, India, Texcom Textile Solutions

ROUNDTABLE ON AUGMENTING COMPETITIVENESS OF THE TEXTILE AND APPAREL SECTOR BY ADDRESSING INVERTED DUTY STRUCTURE

Recognizing the role that Inverted Duty Structures can play on the competitiveness of the Industry, CITI in collaboration with CUTS Institute of Regulation & Competition (CIRC) and CUTS International is carrying out a policy research project called “Impact of Inverted Duty Structure on Level Playing Field for Domestic Producers in India” to assess the products/sectors being affected by the incidence of “Inverted Duty Structure” (IDS).

The project seeks to achieve the following objectives:

- Study the impact of India's Free Trade Agreements that are leading to inverted duty structures as well the cesses and tariffs outside the GST system
- Finding the actual products at the HS 6-digit level that are affected by the incidence of IDS in select sectors
- Assess the impact of such an inverted duty structure on the cost competitiveness of the domestic producers and suggest specific measures to remedy such situations
- Communicate such findings to the relevant policymakers and propose solutions for policy advocacy on how to deal with such an inverted duty structure and the cost of taxes.

CITI has already circulated the draft findings of the study with the respective members and to discuss the same in detail, CITI also organized a Roundtable on augmenting competitiveness of the Textile and Apparel Sector by addressing Inverted Duty Structure on 19th March 2024 in hybrid mode.

The round table by attended by various industry associations like SIMA, SGCI, FICCI, NITMA, MPTMA, AFMII, TEXPROCIL, etc., and also by representatives from industries like Ginni Filament, Raymond, Grasim, Pratibha Syntex, etc.

The meeting started with the opening remarks of the SG-CITI, Ms. Chandrima Chatterjee wherein she thanked the CUTS for collaborating with CITI for this study and also



welcomed and thanked all the industry participants for joining the roundtable for providing their feedback on the study.

CITI-Deputy Chairman, Shri Ravichandran Ashwin gave the keynote address in the roundtable wherein he shared the industry expectations from the present study and also requested the industry to share their feedback/observations to make the study more impactful. He opined that IDS many times results in the importation of finished products over domestic production which not only undermines the profitability of our local businesses but also erodes the market share of our domestic manufacturers. He requested a collaborative and cooperative approach among the various stakeholders to overcome the issue of IDS in various HSN lines of the textile & apparel products.

During the roundtable, DG-CIRC, Shri Navneet Sharma, presented the initial findings of the study to the industry stakeholders to get their feedback on the same and also requested the industry to share some industry-level data on the cost structure of a representative firm in the textile and apparel sector to assess the cost disadvantage that a representative firm faces due to inversion of duties (both GST and BCD).

During the meeting, various industry representatives shared their suggestions on the study and it was also suggested to form a small group of industry representatives to help with the industry's feedback and suggestions towards the study.

Interactive Session on “MEGATRENDS SHAPING THE TEXTILE AND APPAREL INDUSTRY” organised by CITI YEG

Young Entrepreneurs Group (YEG) of Confederation of Indian Textile Industry organized a Session on “Megatrends Shaping the Textile & Apparel Industry” on 25th April 2024 on Virtual Platform.

In his Opening Remarks Mr. Rajnish Arora, Chairman of the Young Entrepreneurs Group welcomed the participants to the session and highlighted the importance of understanding and adapting to megatrends in the textile and apparel industry.

Mr. Arvind Singhal, Chairman, Technopak Advisors made a presentation on the "Megatrends Shaping the Textile & Apparel Industry" and shared trends related to textiles and apparel trade, sustainability, technology, consumer behaviour, market dynamics, and regulatory changes.

Mr. Arvind Singhal, with his expertise and experience in the retail and textile sectors, provided an in-depth analysis of the megatrends impacting the textile and apparel industry. He offered insights into the key drivers behind these

megatrends, their implications for businesses, and potential strategies for adaptation and growth.

He explained how these megatrends are specifically impacting the Indian textile industry, considering factors such as market demand, competitive landscape, supply chain dynamics, and government policies.

The session explored how digitalization and technology are transforming the textile and apparel industry, including topics such as e-commerce, digital marketing, virtual design and prototyping, smart textiles, and Industry 4.0 technologies.

He further delved into evolving consumer trends and preferences in the textile and apparel sector, including shifts in fashion, lifestyle changes, demand for customization, and the growing importance of ethical and transparent supply chains.

CITI TEXTILE SUSTAINABILITY AWARDS 2024

26th February 2024, Bharat Mandapam, BharatTex24, New Delhi



CITI Textile Sustainability Awards 2024 Inaugural Address by the Chief Guest: Shri Piyush Goyal, Hon'ble Union Minister of Textiles, Commerce and Industry and Consumer Affairs, Food and Public Distribution

On the 26th of February 2024, the presence of the Hon'ble Union Minister of Textiles, Commerce and Industry and Consumer Affairs, Food and Public Distribution, Shri Piyush Goyal, and Smt. Darshana Vikram Jardosh, Hon'ble Minister of State for Textiles and Railways, graced the CITI Textile Sustainability Awards 2024, marking a significant occasion in recognizing excellence within the industry, at Bharat Mandapam, BharatTex24.

In his address, Shri Piyush Goyal commended the exemplary service of all involved in the textile sector, emphasizing the crucial role CITI has played in supporting various initiatives and fostering partnerships for progress and emphasized CITI's commitment to guiding the government and inspiring more individuals to join the textile industry, emphasizing teamwork and collective efforts in shaping the sector's roadmap. Recognizing CITI's unwavering support and impactful work for the industry, Shri Goyal commended their crucial role in fostering growth and employment opportunities within the textile sector, empowering the nation's youth. He further emphasized CITI's potential to not only serve the domestic market but also emerge as a global leader, expressing his sincere gratitude for their valuable contributions and guidance in shaping the industry's future.

With a vision for India's growth and prosperity, the Hon'ble Minister urged stakeholders to work together with a national spirit, ensuring that the textile industry continues to represent the nation's identity and prowess globally, "Let's all work together in oneness and supporting each other with a national spirit and understanding different elements of value chain and making sure textile industry



Shri Rakesh Mehra, Chairman CITI felicitating the Chief Guest of CITI Textile Sustainability Awards 2024 Shri Piyush Goyal, Hon'ble Union Minister of Textiles, Commerce and Industry and Consumer Affairs, Food and Public Distribution.

Also seen in picture, Shri T. Rajkumar, Immediate Past Chairman, CITI

CITI ACTIVITIES...

represent the face of India across the world”, opined the Hon'ble Minister.



Mr. Ashwin Chandran, Deputy Chairman CITI, felicitating Smt. Darshana Vikram Jardosh, Hon'ble Minister of State for Textiles and Railways.

Also in picture, Ms. Chandrima Chatterjee, SG, CITI

The CITI Textile Sustainability Awards featured three Interactive Sessions focusing on various aspects of sustainability in the textile industry:



The first session was moderated by Dr. Arindam Basu, Director General, NITRA and featured Mr. K.K. Lalpuria, ED & CEO, Indo Count Industries as a speaker. The session focused on “Achieving Excellence: Green Practices & Innovative Material Management”.



The Second interactive Session, “Success Stories: Best Recyclers, HR Practitioners & Alternate Materials Use”, was moderated by Dr. Rajesh Bheda, Principal & CEO, Rajesh Bheda Consulting and featured Mr. Anil Jauhri, ex-CEO, NACCB, Mr. Marius Golden, Co-Founder and COO, Reverse Resources, Ms. Anjali Krishnan, Program Manager-Alternate Materials, IDH, Mr. Prithvi M. Krishnakumar, Jt. MD, Sulochana Cotton Spg. Mills, Mr. Deepak Goel, Director, Geetanjali Woollens and Mr. Suchira Surendranath, Director – Cross Country, Brandix Group as speakers. Also seen in the picture (from Left) Dr. Arindam Basu, DG, NITRA and Ms. Chandrima Chatterjee, SG, CITI.

CITI ACTIVITIES...



The third Interactive Session, “Best Sustainable Retail Practices & Women Leading Sustainability and Social Impact”, was moderated by Mr. Prashant Agarwal, Jt. MD, Wazir Advisors and featured Mr. Raman Dutta, General Secretary, Brands & Sourcing Leaders Association, Dr. Rennie Joyy, Founder, Aalekh Foundation, Mr. Ashok Kumar Thanikonda, Senior Program Officer, Global Green Growth Institute, Mr. Sanjeev Grewal, Regional Business Director- SW Asia & ME, Amann Group, Ms. Nivedita Banerji, Founder, Kumbaya Producer Company as speakers.

The three Interactive Sessions were followed by presentations of Mr. Manu Gahlowt, Director-Softlines, Intertek and Mr. Khaled Schuman, Executive Director, Cotton Egypt Association.



Presentation by Mr. Manu Gahlowt, Director-Softlines, Intertek on Sustainable Retail Practices

CITI ACTIVITIES...



Presentation by Mr. Khaled Schuman, Executive Director, Cotton Egypt Association on Integrating Sustainability in the Production, Distribution and Procurement Process



Felicitation of Mr. Raman Dutta, General Secretary, Brands & Sourcing Leaders Association



Felicitation of Dr. Rennie Joyy, Founder, Aalekh Foundation

CITI BIRLA ECONOMIC & TEXTILE RESEARCH FOUNDATION AWARDS

CITI congratulates all the winners of the CITI Birla Economic & Textile Research Foundation Awards and the CITI Textile Sustainability Awards and applauds their dedication to innovation, sustainability, and social responsibility. CITI also extends heartfelt appreciation to the award partners, Reverse Recyclers, IDH, Brands & Sources Leaders Association, Aalekh Foundation, and Rajesh Bheda Consulting and Intertek, for their valuable contribution in recognizing and supporting these outstanding achievements.

Best Practices adopted by Textile Mills especially in Social Responsibility & Green Practices



Winner: Indo Count Industries Ltd.



1st Runner Up: Pratibha Syntex Ltd.

Innovative Material Management in Textile Mills



Winner: Indo Count Industries Ltd.



1st Runner up: Jeyavishnu Clothing Pvt. Ltd.

CITI TEXTILE SUSTAINABILITY AWARDS'2024

Eminent Jury of the Awards



Felicitation of Dr. Arindam Basu, Director General, NITRA



Felicitation of Mr. Anil Jauhri, Ex-CEO, NACCB



Felicitation of Dr. Rajesh Bheda, CEO & MD, Rajesh Bheda Consulting Pvt. Ltd



Felicitation of Mr. Prashant Agarwal Co-Founder & MD, Wazir Advisors Pvt. Ltd



Felicitation of Mr. Ashok Thanikonda, Senior Programme Officer, Global Green Growth Institute

AWARDEES

Best Recyclers



Winner: Geetanjali Woolens Pvt. Ltd.



1st Runner up: Sulochana Cotton Spinning Mills Pvt. Ltd.

Best Alternate Materials Use:



Winner: Sulochana Cotton Spinning Mills Pvt. Ltd.



1st Runner Up: Conserve India

Best Sustainable Retail Practices



Winner: Amann Sewing & Embroidery Threads Pvt. Ltd



1st Runner Up: Raymond UCO Denim – Everblue Apparel Ltd.

AWARDEES

Best Women Entrepreneurs- Leading Sustainability and Social Impact



Winner: Kumbaya Producer Company Limited



1st Runner Up: Saahas Waste Management Pvt. Ltd

Best HR Practices



Winner: Brandix Apparel India Pvt Ltd.



1st Runner Up: Teejay India Pvt. Ltd.

Best Sustainable Retail Practices



Group Photographs of the Awardees with Hon'ble Minister of Textiles

CITI ACTIVITIES...

CITI FELICITATED KUMUDA AS THE "MOST INSPIRING WOMEN ENTREPRENEUR - CIRCULAR TEXTILES".



Kumuda recipient of the "Most Inspiring Women Entrepreneur - Circular Textiles" in CITI Textile Sustainability Awards 2024 with Shri Piyush Goyal, Hon'ble Union Minister of Textiles, Commerce and Industry and Consumer Affairs, Food and Public Distribution, Smt. Darshana Vikram Jardosh, Hon'ble Minister of State for Textiles and Railways, Shri Rakesh Mehra, Chairman CITI, Shri, Ashwin Chandran, Deputy Chairman, CITI, and Shri T. Rajkumar, Immediate Past Chairman, CITI

CITI EXEMPLARY AWARDS FOR INVALUABLE CONTRIBUTIONS TO THE TEXTILE INDUSTRY

The CITI Textile Sustainability Awards 2024 honored four exemplary individuals for their invaluable contributions to the textile industry. Shri B.K. Patodia, a pioneer in opening international markets and promoting export excellence, was recognized alongside Late Dr. Rajaram Jaipuria, who dedicated over 50 years to the industry and championed sustainable cotton development initiatives. Dr. Krishnaraj Vanavarayar, known for his leadership in various textile segments and his role in shaping industry policies, and Shri Prem Malik, instrumental in establishing skill development programs and forging international partnerships, were also honoured for their lasting impact.

List of awardees is as below:



Shri B.K. Patodia
Chairman, GTN Group



Late Dr. Rajaram Jaipuria
Ginni Filament Ltd.



Shri Prem Malik
VC, NSL Textiles Ltd.



Dr. B.K. Krishnaraj Vanavarayar
Chairman, Sri Sakthi Textiles private limited, Pollachi

CITI ACTIVITIES...

Some glimpses of the Exemplary Awards presented by Shri Piyush Goyal, Hon'ble Union Minister of Textiles, Commerce and Industry and Consumer Affairs, Food and Public Distribution:



Mr. Umang Patodia, son of Shri B K Patodia receiving the Exemplary Service to the Textile Industry Award on behalf of Shri B.K. Patodia, Past Chairman, CITI & Chairman, GTN Textiles Ltd.



Mr. Saket Jaipuria, grandson of Dr. Rajaram Jaipuria and Executive Director, Ginni Filaments receiving the Exemplary Service to the Textile Industry Award on behalf of Late Dr Rajaram Jaipuria, Past Chairman, CITI & CMD, Ginni Filaments Ltd.



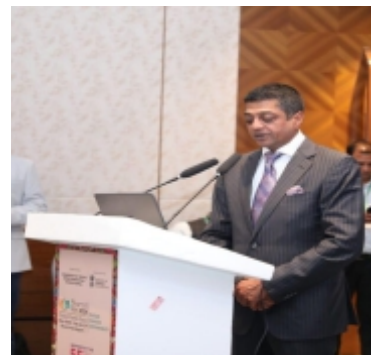
Mr Shankar Vanavarayar, son of Dr Krishnaraj Vanavarayar receiving the Exemplary Service to the Textile Industry Award on behalf of Dr Krishnaraj Vanavarayar, Past Chairman, CITI & Chairman, Sri Sakthi Textiles Ltd.



Shri K.K. Lalpuria, Executive Director & CEO, Indo Count Industries Ltd. receiving the Exemplary Service to the Textile Industry award on behalf of Shri Prem Malik, Past Chairman, CITI & Vice Chairman, NSL Textiles Ltd.

CITI CONGRATULATES THE AWARDEES ONCE AGAIN!

In closing, Mr. Ashwin Chandran, Deputy Chairman of CITI, extended his heartfelt thanks to the Hon'ble Union Minister of Textiles, Commerce, and Industry, Shri Piyush Goyal, the Textile Minister, Smt. Darshana Vikram Jardosh, all participants, organizers, and sponsors for a successful and inspiring CITI Textile Sustainability Awards 2024.



Vote of thanks by Mr. Ashwin Chandran, Deputy Chairman of CITI

CITI ORGANISED A SESSION:
**SKILLING & ENTREPRENEURSHIP DEVELOPMENT
IN TEXTILES & APPAREL**
ON 27TH FEBRUARY 2024 AT BHARATTEX24, NEW DELHI



Chair:

- Shri Atul Tiwari, IAS, Secretary, Ministry of Skill Development & Entrepreneurship

Moderator:

- Shri Ajay Gupta, IAS, Joint Secretary, Ministry of Textiles

Panellists/Speakers:

- Shri Rishikesh Patankar, Industry and Academia Collaboration, NSDC

- Ms. Annabel Meurs, Associate Director, Fair Wear Foundation
- Shri Vijay Mathur, DG & CEO, ATDC
- Ms. Kalpana Singh, Zonal Manager, IT Infrastructure (North), Aditya Birla
- Shri Somesh Mishra (IAS), Director, Directorate of Skill Development - Government of Madhya Pradesh
- Shri Amandeep, Founder & Sherpa-in-Chief, The Sherpas
- Shri Anurag Badal, CEO, Arvind Mills

Shri Atul Tiwari, Secretary, Ministry of Skill Development & Entrepreneurship while chairing the Session stated that skilling is very important part of the whole development efforts of India and as envisioned by the Hon'ble Prime Minister of India that to become a developed country in 2047, along with infrastructure, along with physical infrastructure, India also need to develop the human resource by way of skilling.



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Textile industry has a very important role to play in the economy. We have a very robust system of skilling. The Textile Ministry is also running a skilling scheme, Samarth, for capacity building and skill development in the sector. 45 million are directly linked and employed in the textile sector and so many indirect. He stated that to improve skilling further we need to carefully examine how we educate our people and what kind of jobs or employment opportunities that we create. We just not skill them and leave them where they are. Our idea is to create them in a composite whole so that end-to-end solutions are being given to them.



Shri Ajay Gupta, Joint Secretary, Ministry of Textiles while moderating the session enlightened on the Samarth - skilling scheme of Ministry of Textile. Through Samarth, around 2.71 lakhs people had been trained by Ministry of Textile. This scheme is applicable to all the states and union territories. In the Scheme, 86% beneficiaries are women. We are having the skilling program in the entire ecosystem of textile industry, except spinning and weaving. Around 76% we are providing the training in garmenting. Handloom and handicraft sector is the traditional sector where we are providing around 23%. Karnataka, Tamil Nadu, UP, Haryana, Rajasthan are the states with maximum beneficiaries.

He recalled that Hon'ble Prime Minister, in his inaugural address, had touched the points related with the tradition, handicrafts, handlooms, women workers, Samarth scheme.

In the Textile Ministry, the Samarth scheme is having a very important component of the employment.

Shri Rishikesh Patankar, Industry and Academia Collaboration, NSDC stated that at NSDC we are working with 36 different sectors and we are collaborating with 36 different sector skill councils under the aegis of Ministry of Skill Development and Entrepreneurship.

He stated that there is a need of collaborating between the academia and industry in terms of identifying specifically the demands in the sector and then supplying that particular demands to the industry through the academic vigour or through the skilling ecosystem which we have in the country.



Right now the textile sector skill council runs around 6 Centre of Excellences which are located across the country and the Sector Skill Council also has around 90 qualification packs in this particular specific sector where candidates can actually get training on the skilling. There are around 500 training centres under the Pradhan Mantri Kaushal Vikas Yojana Program as well as other schemes of the ministries and almost 600 plus national occupational standards are developed.

One important factor is the sector skill council has around 5 job roles which are internationally linked. So, candidates who get trained in India have actually upward mobility to go into a foreign country and directly work. Similarly future skills is also one of the important aspect where Ministry is focusing upon and we need to put more emphasis on the future skills either it is handloom or it is mills. So in both these sectors based on the requirement we need to identify certain future skill demand and train the manpower on that aspect.

Ms. Annabel Meurs, Associate Director, Fair Wear Foundation talked about the need to understand the principles of social due diligence, the sustainability



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requirements that European buying companies will be or are subject to by law.

She said that Fair Wear works with more than 130 brands to help advance human rights based on the principle that is key to our approach.

She stated that for over 25 years, we have ensured that actions by brands are driven by information and insights coming from stakeholders in garment producing countries.

She said that there is a shift going on from voluntary principles to mandatory regulations that are challenging the traditional business models. And this shift is currently being negotiated in the EU in a legislation called the Corporate Sustainability Due Diligence Directive. The shift is reinforced by the principle of human rights and environmental due diligence. Even though it will be European companies that need to comply to this law, the textile industry here in India should prepare for it and understand it so that it can also benefit from the potential that it has.

In conclusion, she said that skill building needs to include the social skills and building the capacity for understanding due diligence and a clear roadmap for sustainability to implement that in the Indian textile industry, in order to benefit from the shift, instead of seeing it as a trade barrier or a cost compliance model to use it as a business opportunity.



Shri Vijay Mathur, DG & CEO, ATDC thanked Ministry of Textiles for giving the programs like Samarth for skill training to the textiles and apparel sectors. He mentioned that 33 years before ATDC was created and its first centre started in 1996 in Chennai. Since then we have trained and certified 320,000 people for apparel sector and placed in the industry.



Ms. Kalpana Singh, Zonal Manager, IT Infrastructure (North), Aditya Birla said that their institution is doing skill development of their workforce through Samarth and 85% of their trainees are women employees. She stated that sourcing them, educating them, skilling them, retaining them, again with the new technologies that are coming, de-skilling them and again upskilling them as per the technological requirement is a challenge. The current schemes do provide us a lot of opportunity in the basic natures of what we are doing. But internally also we have done a lot of work that is required.

Educating employees, training them on the need of digitization is important because the world is now looking at evidence-based decision making.

She applauded Ministry of Textiles for collaborating with industry for providing a meaningful skill development.



Shri Somesh Mishra (IAS), Director, Directorate of Skill Development - Government of Madhya Pradesh in his address, highlighted an important scheme related to on-job training in Madhya Pradesh, which is the Chief Minister's Learning Earnings Scheme. This scheme is not only related to the textile industry, but it is also related to all industries.

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The objective of this scheme is to provide on-job training to formally educated youth of Madhya Pradesh in registered industrial and commercial establishments across the country with a target to provide on-job training to 100,000 youth every year.



Mr. Anandeeep, Founder & Sherpa-in-Chief, The Sherpas said that the efforts should be made to increase the income of the skilled employees in the textile and apparel sector. He also said that in the textiles and apparel industry's focus should be on automation and productivity. He mentioned that textile industry is the only industry which covers all the four focus areas of the Honourable Prime Minister, i.e. Youth, Women, Poor and Farmers.

He requested, especially NSDC, to equip skill development centres with the latest equipment so that the productivity of the workers is at the level of the international global standards.



Shri Anurag Badal, CEO, Arvind Mills stated that Arvind Ltd. is committed for skilling and internal skill development of its strong workforce of 29,000 people. He stated that Arvind Ltd. have brought in a lot of focus in terms of doing internal skilling, which is customized to their requirements, i.e., just-in-time, industry-ready people. He said that skilling ends with retaining a person and retaining them for years.

The session brought together thought leaders, Skill Development Experts and Stakeholders to dwell upon the role and impact of skill development for robust and sustainable growth of the textile and apparel industry. Around 200 delegates from Textiles and Apparel value chain participated in the deliberations at this important session.

CITI ORGANISED A SESSION:
**FUTURE FACTORIES: FUELED BY SMART
MANUFACTURING AND INNOVATION**
IN ASSOCIATION WITH ITMF ON 27TH FEBRUARY 2024
AT BHARATTEX2024, NEW DELHI

Chairpersons

- Mr. Ajay Gupta, Jt. Secretary, Ministry of Textiles, Government of India
- Mr. Rakesh Mehra, Chairman, Confederation of Indian Textile Industry (CITI) & Chairman, Banswara Syntex Ltd.

Moderator

- Dr. Christian Schindler, Director General, ITMF, Switzerland

Panelists

- Dr. K. V. Srinivasan, President, ITMF and MD, Premier Mills, India
- Mr. Joachim Hensch, Sr. Consultant (Digital Manufacturing), Gherzi Textil Organisation
- Mr. Max Easton, Director of Global Innovation, Smartex, Portugal
- Mr. Christian Dreszig, Sales Director Asia, Benninger Group, Switzerland
- Mr. Jochen Adler, Head of R&D, Oerlikon

Mr. Ajay Gupta, Jt. Secretary, Ministry of Textiles and Mr. Rakesh Mehra jointly Chaired the Session.



Mr. Ajay Gupta, JS, MOT while chairing the Session stated in his opening remarks about various Schemes of Ministry of Textiles aimed at creating a modern and vibrant textile industry in India.

CITI ACTIVITIES...



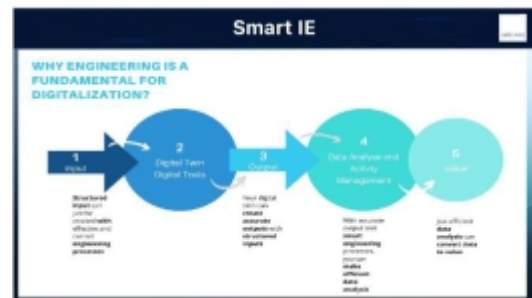
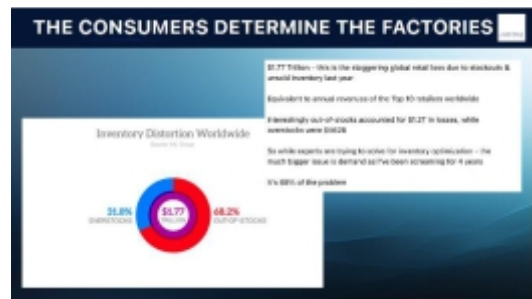
Mr. Rakesh Mehra, Chairman, Confederation of Indian Textile Industry (CITI) & Chairman, Banswara Syntex Ltd in his opening remarks introduced the Panelists and said that the pandemic has accelerated the adoption of digital commerce which is having a significant impact on the industry and had reflected in big increase in online retail sales as well as upgradation of production technologies. He stated that New technologies and processes are pivotal for environmental sustainability in terms of resource consumption, utilization of regenerated fibres and traceability.



Dr. Christian Schindler, Director General, ITMF while moderating the Session commented on the relevance of the Roundtable and stated that several disruptive technologies are transforming the textile production chain. Trends in manufacturing are moving towards convergence of real and virtual worlds to enable rapid integration, feedback and control loops through disaggregated manufacturing supply chain. OEMs are responding to the trends. Automation in spinning and weaving is already absorbed in the primary textile industry. Additive manufacturing and digital printing and finishing have also joined the mainstream. Sewing, considered the final frontier in automation, is also witnessing the incursion of robotic manufacturing and IoT.



Mr. Joachim Hensch highlighted factors required for smart manufacturing, namely growing e-commerce markets and enormous waste of resources (overstocks) and missed opportunities (out-of-stocks).



Mr. Jochen Adler, Head of R&D, Oerlikon stated that textile machinery companies are always working hard to improve the performance of their machines and processes and to identify the areas where the greatest potential for improvement can be achieved.

CITI ACTIVITIES...

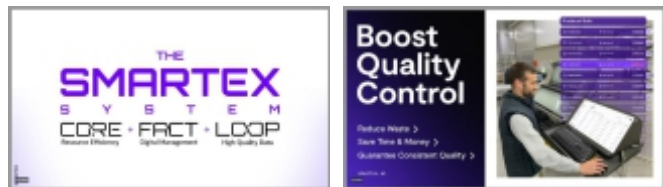


Mr. Christian Dreszig, Sales Director Asia, Benninger Group pointed out that introducing technological innovations as such are no guarantee of success and stressed on the deciding factors for adopting a new technology.



Dr. K.V. Srinivasan shared manufactures' perspective while buying and installing the latest machinery and adopting the new technology for their factories.

Mr. Max Easton stated that **Smartex** is at the forefront of transforming the textile industry through the integration of Artificial Intelligence, focusing specifically on achieving zero waste and traceability, the most impactful step of the textile supply chain. He said that apparel factories need to start modernising now, not in the future – or risk becoming obsolete. Currently, we are all witnessing a transformative shift in the textile industry, with a growing focus on commercial focuses (greater speed, more reliable quality & data-led pricing) and sustainability goals. commercial advantages are emerging for factories that embrace modernization, including the greater speed to market that aid brand revenue & deadstocks, improved quality control for greater factory control of their profits, and the ability to compete globally with data-led pricing strategies. The market is demanding competitive prices, increased speed, better quality, and rock-solid compliance at the same time, necessitating factories to accelerate their modernization efforts. Modern Textile Factories will continually seek to improve their resource efficiency to lower their cost and the environmental impact of each unit produced.



The session brought together international thought leaders, technologists and machinery manufacturers to dwell upon the role and impact of technology for the transformation of the textile industry in future. Around 200 international delegates from Textiles and Apparel value chain participated in the deliberations at this important session.

MEETING OF YOUNG ENTREPRENEURS' GROUP (YEG) HELD IN NEW DELHI COINCIDING WITH BHARATTEX 2024



Meeting of Confederation of Indian Textile Industry's Young Entrepreneurs' Group (YEG) was held under the Chairmanship of Mr. Rajjnish Aroraa on **26th February 2024** in New Delhi coinciding with BharatTex 2024. The meeting encapsulated a vibrant exchange of ideas, experiences, and opportunities, reaffirming the commitment of CITI and its partners in nurturing and empowering young entrepreneurs in the Indian textile & apparel industry.

On this important occasion, Mr. Ramesh Poddar, the Chairman & Managing Director of Siyaram Silk Mills Ltd, addressed the members of the Young Entrepreneurs' Group (YEG) as a Special Invitee. In his address, Mr. Poddar emphasised on innovation, sustainability, talent development, collaboration, and resilience, inspiring the YEG members to strive for success in the dynamic textile industry.

Mr. Poddar emphasized the importance of innovation in maintaining a competitive edge in the textile industry. He encouraged the young entrepreneurs to focus on innovative product design, manufacturing processes, and marketing strategies to stay ahead of the curve.

Recognizing the growing importance of sustainability, Mr. Poddar urged the entrepreneurs to adopt sustainable practices in their operations. He highlighted the need for ethical sourcing, waste reduction, and minimizing carbon emissions to build a more sustainable future for the industry.

Mr. Poddar stressed the significance of investing in talent development within organizations. He encouraged the entrepreneurs to create a culture of learning and growth, empowering their employees to reach their full potential.

Mr. Poddar highlighted the importance of resilience in the journey of entrepreneurship. He encouraged the entrepreneurs to stay resilient in the face of challenges and uncertainties, remaining focused on their goals and aspirations.

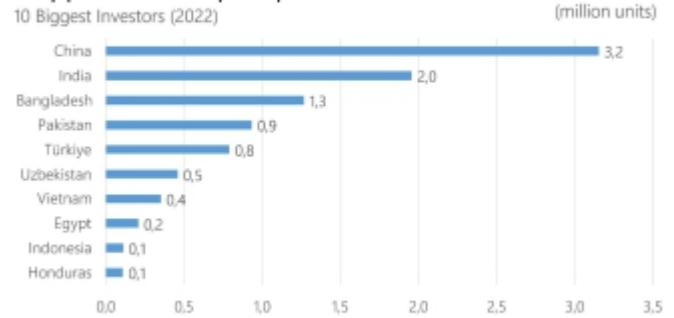
On this important occasion **Dr. Christian Schindler**, Director General, International Textile Manufacturers Federation and **Dr. Rajesh Bheda**, MD & CEO, Rajesh Bheda Consulting (RBC) were invited as the Guest Speakers. Both experts presented valuable insights into the global and domestic textile and apparel business and highlighted key trends, challenges, opportunities, and strategies for textile and apparel industry stakeholders to navigate and thrive in a rapidly evolving market landscape.

Dr. Christian Schindler in his address to YEG mentioned that ITMF is a unique platform for the global textile value chain comprising members from the entire textile value chain from fibre producers and spinners down to garment and home textile producers as well as textile machinery and chemical producers and several affiliated segments (e.g., textile consultancies,).

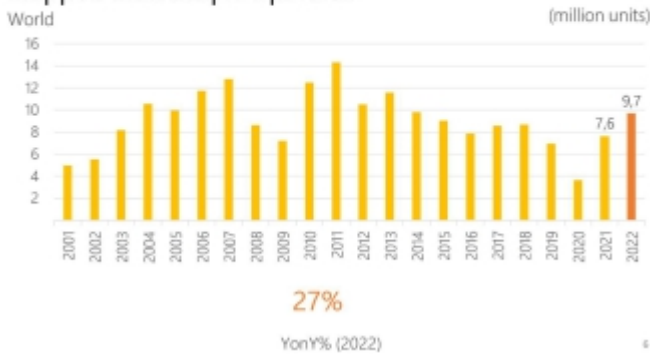
He highlighted that ITMF is offering valuable information in the form of publications (statistics, surveys, reports), webinars, interviews, etc. A very important publication is **ITMF's Intl. Textile Machinery Shipment Statistics (ITMSS)**. Every year ITMF compiles information about the shipments of new textile machinery. This shows where new investments are taking place and hence where capacities are increased/reduced. The ITMSS reveals that in the last 20 years the main investor in new machinery was China followed by India as a distant second. In only one textile machinery segment a major change could be observed. Bangladesh and Vietnam have invested in the last 10 years significantly in new short-staple spinning capacities.



Shipped ShortStaple Spindles



Shipped ShortStaple Spindles



Shipped ShortStaple Spindles



Dr. Christian Schindler also invited YEG Members to participate in ITMF Annual Conference & IAF World Fashion Convention 2024 scheduled in Samarkand, Uzbekistan during 8 – 14 September 2024. Theme of the Conference is “Innovation, Cooperation & Regulation – Drivers of the Textile & Apparel Industry”.

Dr. Rajesh Bheda, MD & CEO of the management consulting firm, Rajesh Bheda Consulting (RBC) outlined the potential of the Indian apparel industry noting the critical importance of the need for improving productivity for strengthening the sector.

Dr. Bheda underscored the importance of manufacturers in implementing best practices in industrial engineering, human resource management and quality systems. It further highlighted that achieving a productivity improvement of about 15% in garment factories within a year is “highly achievable.”

Dr. Bheda advised industry associations to take a focused approach in promoting productivity improvement in its member factories, emphasising the urgency of supporting productivity improvement efforts on the part of the government as well.

Dr. Bheda further stated that a more productive garment manufacturing industry for the domestic and export markets will also support employment creation and ensure that India does not lose the domestic market to cost-competitive players like Bangladesh.

By organizing sessions like this, the Young Entrepreneurs Group of CITI provides a platform for knowledge sharing, collaboration, and innovation among young entrepreneurs in the Indian textile industry. It enables members to stay informed about industry trends, build valuable connections, and gain inspiration for driving positive change and growth in the sector.

CITI BIDS FAREWELL TO SHRI T RAJKUMAR

On 27th October 2023, Confederation of Indian Textile Industry (CITI) hosted a farewell function to honor Mr. T. Rajkumar, the Immediate Past Chairman, and introduce the new Office Bearers of CITI.

Mr. Rakesh Mehra, Chairman-CITI highlighted the achievements and acknowledged the significant contributions of Mr. Rajkumar.

The function had an insightful session on "Outlook and

Opportunities for Indian Textiles & Apparel Sector," by Economic Law Practice representative.

The function was attended by various Government officials including Textile Commissioner Ms. Roop Rashi, IA&AS and many industry stalwarts who appreciated Shri T. Rajkumar for his commendable work for the Indian Textile Industry during his tenure as CITI Chairman and they all also welcomed the new leadership of CITI and assured their full support in resolving the various issues of industry.



MEETING WITH BRAZIL COTTON GROWERS ASSOCIATION

On 1st November 2023, a meeting was held with The Brazilian Cotton Growers Association (Abrapa) at the CITI office. The agenda of the meeting was to discuss how India and Brazil being the two important BRICS partners and also the largest producer and consuming nations of cotton can work together towards synergizing and strengthening the cotton value chain.

The meeting was attended by Vice President-Abrapa, Mr. Celestino Zanela, Director of International Relations-Abrapa, Mr. Marcelo Duarte, SG-CITI, Ms. Chandrima Chatterjee, and other CITI officials.

During the meeting, various practices being followed by cotton cultivators of both the countries to improve upon the quality and quantity of cotton were discussed and ideas

were also shared on how the two countries can work together towards achieving sustainability and traceability in the cotton value chain.



CITI TEXTILE CEO DELEGATION STRENGTHENS GLOBAL TIES AT TECHTEXTIL 2024

India has recently signed the Trade and Economic Partnership Agreement (TEPA) with EFTA countries comprising Switzerland, Iceland, Norway & Liechtenstein. Even before the signing of TEPA, CITI has been working on strategies to promote business collaborations between India and Switzerland and has also signed an MoU with Swiss Textiles for the same. In this context, the CITI mounted a delegation to Techtextil 2024, the premier international trade fair for technical textiles and nonwovens, held in Germany from April 23 to 26, 2024.

With an aim of fostering collaboration and advancing the global textile industry, the CITI delegation led by MD, Shiva Texyarn - Dr. S.K. Sundararaman, actively participated in a series of engagements, especially with Textile companies and associations in Switzerland.

During the visit, a B2B meeting was also organized on the sidelines of Techtextil for CITI members to delve into the full spectrum of technical textiles, nonwovens, functional apparel textiles, and textile technologies. A tour of Swiss Textiles facilitated by the Chairman of Swiss Textiles was also conducted which offered insights into the latest innovations and developments in the textile industry, fostering



networking and knowledge-sharing opportunities among industry leaders.

The CITI delegation was the first of many such engagement programs planned for enhancing the strategic partnership between the members of CITI and Swiss Textiles towards their shared commitment to advancing the textile sector.

The participation of CITI members in Techtextil 2024 reaffirms the organization's commitment to leveraging international platforms for driving innovation, collaboration, and growth within the global textile industry.

CITI DELEGATION TO ITMF 24 ANNUAL CONVENTION AT SAMARKAND, UZBEKISTAN – 8-10 SEPTEMBER 2024

International Textile Manufacturers Federation (ITMF) hold its much awaited Annual Conference 2024 in Samarkand, Uzbekistan from September 8-10. The annual convention jointly organised by International Textile Manufacturers Federation (ITMF, www.itmf.org) and the International Apparel Federation. This year's venue was the ancient Silk Road city of Samarkand, Uzbekistan. IAF and ITMF organize it with their mutual Uzbek member, the Uzbek Textile & Apparel Industry Association. The theme of the convention was "Innovation, Cooperation & Regulation – Drivers of the Textile & Apparel Industry".



CITI's YEG Group delegation with Ms. Chandrima Chatterjee, SG, CITI

CITI'S PARTICIPATION IN PREVIEW IN SEOUL 2024 TEXTILE TRADE FAIR

Confederation of Indian Textile Industry (CITI) in its ongoing efforts to strengthen and promote Indian textiles and clothing trade and exports globally and to build a strong image of Indian textile industry, participated and organized India Pavilion with six participants including CITI in "Preview in Seoul 2024 Fair". The Fair organised by Korea Federation of Textile Industries (KOFOTI) from 21st August to 23rd August 2024 in COEX Hall A & B, Seoul, South Korea was a grand success. PIS 2024.

The Korea Federation of Textile Industries (KOFOTI), under the leadership of Chairman Byung-oh Choi, successfully hosted South Korea's largest textile and fashion exhibition, "Preview in Seoul 2024" (PIS). This year's event was held on an unprecedented scale, with 576 companies from 13 countries occupying 888 booths. The exhibition attracted over 36,000 visitors both online and offline, marking a new record in terms of size and attendance.

PIS 2024 was themed "Beyond the Wave," symbolizing the industry's resolve to navigate and overcome the turbulent currents of global uncertainty and paradigm shifts. The

exhibition was organized around four key themes: Sustainability, Splendid, Superior, and Smart, showcasing the latest innovations from participating companies.

This year's event saw an impressive turnout of international buyers with decision-making authority, hailing from countries such as the United States, France, Italy, Germany, and Japan. Prominent domestic buyers, including Youngone Corporation, LF, Shinwon, and K2, also attended, contributing to a record number of business consultations.

Following companies participated in the PIS 2024 to promote their textile business and showcased their products and services to top global buyers.

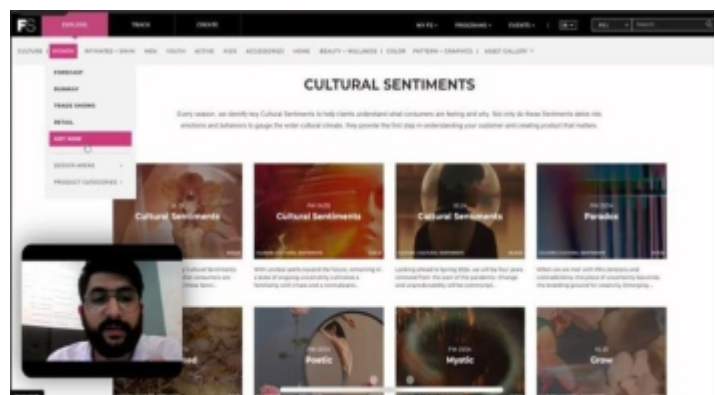
1. Motherland Textile India Pvt. Ltd.
2. Loyal Textile Mills Ltd
3. Gmp Weaving Mills Pvt Ltd,
4. Technocraft Industries (I) Ltd
5. Deiveegam Dyers
6. Svarna Textiles Ltd

CITI'S WEBINAR ON AN INTRODUCTION TO THE FS TREND PLATFORM

On October 26th, 2023 CITI hosted a webinar on Fashion Trend Forecasting in collaboration with Fashion Snoop's Platform, shedding light on the fusion of art and science in the fashion industry.

During the event, Shri Piyush Girotra, Senior Consultant, Fashion Snoops, emphasized that successful trend forecasting empowers fashion professionals with a competitive edge, enabling them to create products that resonate with their target audience and stay ahead in a fiercely competitive market.

The event showcased Fashion Snoop's platform for attendees to explore the multifaceted benefits of trend forecasting through the synergy of data-driven analysis, creative intuition, and cutting-edge technology, offering insights into the pivotal role it plays in designing and marketing products that resonate with consumers in the highly competitive and dynamic world of fashion.



Shri Piyush Girotra told that macro and micro trends are identified based on cultural sentiments, design aesthetics, and seasonal narratives. These trends form the basis for compelling trend stories, helping fashion enthusiasts make informed predictions about the industry's future direction. During the webinar attendees were also introduced to the "TRACK" section, a unique AI-backed tool that provides comprehensive coverage of future month fashion trends, going from the broader picture to specific products.

CITI'S WEBINAR ON UTILISING FREE TRADE AGREEMENTS TO GROW EXPORT OPPORTUNITIES IN COLLABORATION WITH LAKSHMIKUMARAN & SRIDHARAN (LKS)

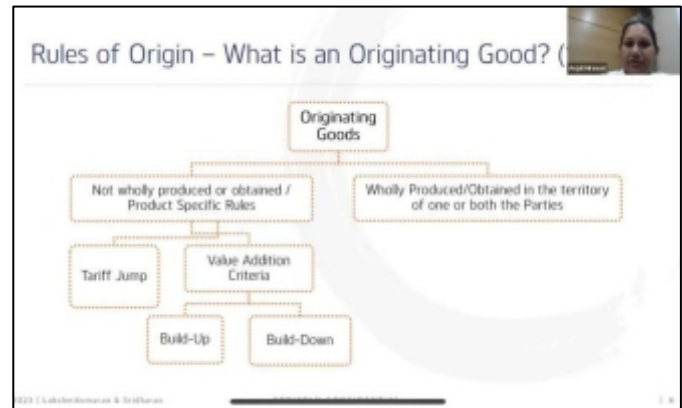
On 31st October, 2023, CITI hosted the second webinar of the series titled 'Utilising Free Trade Agreements to Grow Export Opportunities'. This virtual event featured distinguished speakers including SG-CITI, Ms. Chandrima Chatterjee, Ms. Anjalai

Hirawat, and Shri Ankur Sharma, both partners at the law firm specialists in Customs and International Trade, Lakshmikumar & Sridharan (LKS).

The primary objective of this webinar was to equip attendees with a familiarity with concession schedules along with the Rules of Origin (ROO) and its associated concepts.

During the webinar, Anjali Hirawat emphasized the critical starting point of determining a product's eligibility under the Free Trade Agreement (FTA) Schedule of Concessions. She underscored the importance of correctly identifying the HSN classification of the product in question. Additionally, Staging Categories and the necessity of analysing whether a product complies with the Rules of Origin (ROOs) were also explained to the attendees.

During the webinar, Shri Ankur Sharma provided live examples of FTA schedules available in the public domain and also elaborated on the multifaceted aspects of ROOs,



including tariff jump, value addition (build up and build down formulas), indirect and direct methods of value addition, product-specific rules, and differences between sizing and minimal operations -- all using real-world examples. The concept of Bilateral Cubulation and the De Minimis Principle, Treatment of Packing Materials, Direct Consignment, and Third-Party Invoicing were also covered.

In conclusion, the webinar provided a comprehensive understanding of the technicalities and operations of concession schedules and the rules of origin, enabling participants to navigate the world of FTAs more effectively.

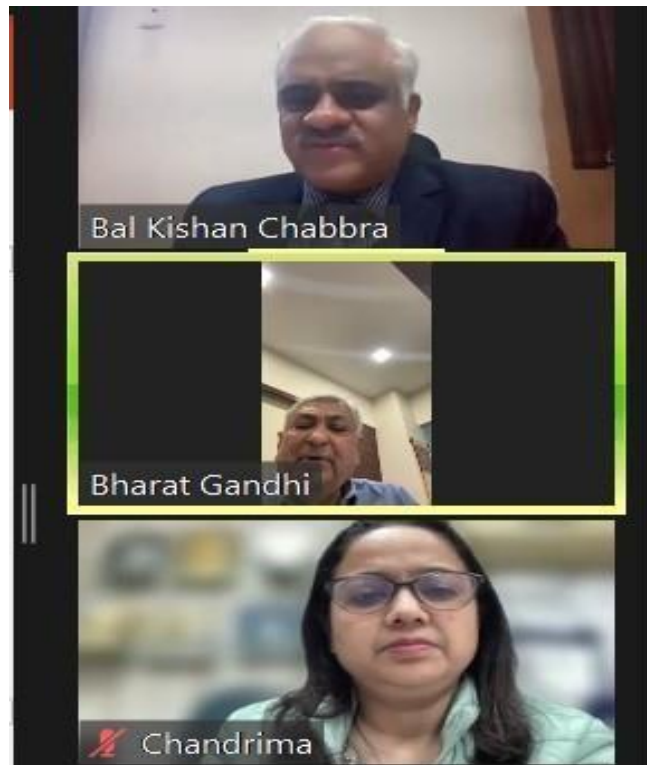
CITI'S WEBINAR ON "DECODING GST: NAVIGATING THE TEXTILE TERRAIN IN INDIA"

On February 15th, 2024, Confederation of Indian Textile Industry (CITI) hosted a webinar titled '**Decoding GST: Navigating the Textile Terrain in India**', where Mr. Balkishan Chhabra, a distinguished CA, detailed the below major topics on GST:

- Scrutiny of returns and the issue of SCN (Show Cause Notice) in terms of sections 61, 73 & 74 of the Act
- Refund under Inverted Duty Structure (IDS)
- Latest changes and developments in GST

Detailing the SCN, Shri Chhabra said that under Section 61, tax authorities can scrutinize returns, identify discrepancies, and seek explanations from the taxpayer. If discrepancies are due to error or non-fraudulent reasons, Section 73 empowers them to determine and demand unpaid tax with interest and penalty. However, for fraudulent cases involving tax evasion or excess input tax credit claims, Section 74 allows issuing notices, demanding tax liabilities, and even confiscating goods after proceedings.

On the IDS, he discussed how IDS arises and also apprised the audience on how the old formula for reclaiming refund was amended and would be applicable in respect of refund applications filed on or after 05.07.2022. He also elaborately about how taxpayers who have credit accumulations due to inward input services and were obtaining lesser or nil refund as per the old formula would benefit.



During the webinar, the below given latest Changes and developments in the GST were also discussed:

- E-Way Bill without e-Invoice for B2B and B2E transactions for e-invoice enabled taxpayer to be blocked w.e.f. 1st March 2024
- Making ISD mechanism compulsory for distributing ITC by Head Offices.
- Clarificatory Revision to GST Section 138 Regarding Payment to the Supplier
- Section 17(5) (fa) of the CGST Act deals with the blocking of ITC for CSR activities
- Extension of time limit for issue of notice and order under section 73 of CGST Act for FY 2018-19 & FY 2019-20

CITI'S WEBINAR ON PRICING EXCELLENCE IN INDIAN TEXTILES & APPAREL SECTOR

On October 06, 2023, Confederation of Indian Textile Industry (CITI) hosted a webinar titled 'Pricing Excellence in Indian Textiles & Apparel Sector'. The Technical presentation on how to optimise product pricing was made by Mr. Pratul Kumar and Mr. Hrishikesh Deshpande, Progility Consulting.

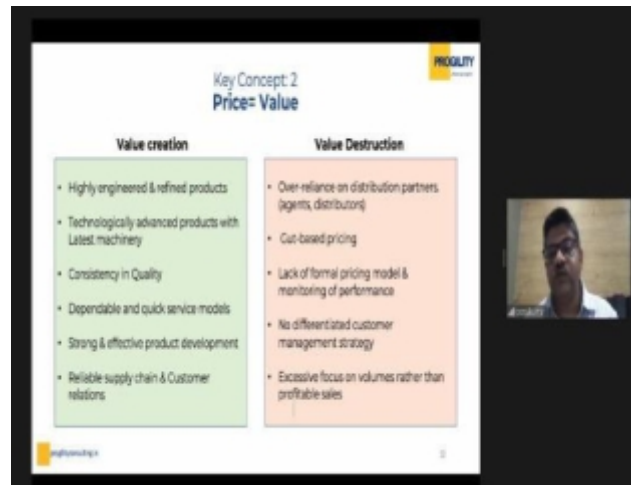
SG. CITI opened the session emphasizing the importance of pricing in the industry. Mr. Pratul Kumar, Director of Progility Consulting, discussed the impact of pricing on profitability and highlighted that pricing should be based on the perceived customer value rather than being reliant on agents and distribution partners. He

stressed the need for differentiated customer preferences and focus on profitability and also emphasized the importance of communicating customer value and escaping the commodity mindset and cited that pricing decisions should not be arbitrary rather they must be data-driven, to reduce value loss.

Hrishikesh Deshpande, Director- Client Services at Progility Consulting, emphasized the importance of data-based analytics in pricing and how developing a scientific tool is more beneficial over traditional calculations. He introduced a 3D approach aimed at achieving visibility, building governance structures, and making informed pricing decisions.

Key Takeaways of the Webinar:

- **Awareness of Pricing Impact:** The webinar emphasized the importance of gaining awareness regarding where and how pricing strategies can have a significant impact across various sectors, including textiles.
- **Pricing as the Primary Profit Driver:** Pricing was underscored as the most crucial driver of profitability, with a discussion on the formula for calculating profit involving fixed costs, limited room for volume improvement, and ongoing efforts to manage variable costs.
- **Positive Impact of Pricing:** Pricing was recognized as having the most significant impact on profitability, and the concept of building an "approval ladder" to enhance pricing strategies within organizations was introduced.



- **Price Equals Value:** The need to shift from over-reliance on distribution partners and agents towards a customer-centric approach was emphasized. Differentiated customer preferences and a balance between volume and profitability were highlighted.
- **No Such Thing as Commodity:** Communicating the value of products effectively was stressed as essential to move away from the commodity mindset. Companies were urged to focus on second-order effects and communicate customer value to differentiate themselves.
- **Avoid Guesswork in Pricing:** Pricing decisions should not be arbitrary but data-driven, considering external factors that can impact value.
- **Not Just About Price Increase:** Increasing prices should be rooted in a deep understanding of customer value and justified by demonstrable value. Reducing variations in pricing is crucial, and customers may pay premiums when they perceive added value.
- **Key Issues in Pricing:** Identified challenges included the lack of a structured approach to communicate value, pricing decisions often made by top executives without clear accountability, absence of formal processes for quotes and approvals, limited tools for evaluating variables' impact, insufficient data and analytics, and a limiting mindset that the industry is confined to commodities.

CITI AND SWISS TEXTILES CO-HOST SUCCESSFUL B2B WEBINAR, UNVEILING OPPORTUNITIES IN INDO-SWISS TEXTILE & APPAREL TRADE

Confederation of Indian Textile Industry (CITI) and Swiss Textiles Association, the leading Associations of T&A, signed an MoU in November 2023 intending to promote bilateral trade and investment as also engage for more product-specific B2B interactions' knowledge sharing, & capacity building, etc. based on the respective core competencies of both the countries. To mark a significant step towards achieving the required objective, CITI in association with Swiss Textile has decided to host a series of B2B webinars that will provide a platform for unlocking synergies and driving growth between the two countries.

The first webinar of the series was organized on 16th May 2024 on the virtual platform and was titled "Enhancing Indo-Swiss Textile & Apparel Trade".

The webinar served as a platform to explore and strengthen the textile and apparel trade relations between India and Switzerland, two significant players in the global textile industry. With the recent signing of the India-European Free Trade Association Trade and Economic Partnership Agreement (TEPA), there are newfound opportunities for collaboration and growth between the two nations. The discussions delved into market dynamics, regulatory frameworks, innovation, and potential avenues for mutually beneficial partnerships between Indian and Swiss companies in T&A Sector.

The webinar started with the opening remarks of SG_CITI, MS. Chandrima Chatterjee where she welcomed all the participants and also shared a presentation on "Collaboration Opportunities to Enhance Trade Between India and EFTA Countries".

In his welcome address, Deputy Chairman-CITI, Shri Ashwin Chandran, underscored the significance of India's regional trade agreements, particularly emphasizing the transformative potential of the EFTA-TEPA Agreement in facilitating market access.

While sharing industry insights and best practices, Managing Partner, Patodia Overseas Exports & Vice Chairman & MD, Prime Urban Development India Ltd, Shri Manoj Patodia, emphasized India's sustainability efforts and digital transformation, aligning with Swiss support.



Deputy Chairman CITI- Delivering the Welcome Address

From the Swiss side, Mr. Peter Flückiger, Chairman of the Board, SWISS TEXTILES, emphasized the profound potential of Indo-Swiss trade ties, focusing on sustainability and bilateral cooperation, especially with the impending ratification of TEPA in 2025.

Ms. Annabelle Hutter, Managing Director, Säntis Textiles, championed recycling and circular economies in the textile industry, highlighting Säntis Textiles' innovative approaches towards sustainable textile production.

Mr. Wolfgang Haberl, Sales Director, Textilcolor, discussed advancements in textile chemistry, focusing on sustainability and energy-saving technologies.

The webinar developed a consensus on the immense potential for mutual growth and innovation within the Indo-Swiss textile and apparel trade landscape and was ended with the concluding remarks of Vice Chairman-CITI, Shri Dinesh Nolkha, who expressed optimism for synergistic collaborations and extended gratitude to Swiss Textiles for their innovative contributions, emphasizing the pivotal role of investment, regulatory alignment, and sustainability in fostering a vibrant trade ecosystem.

Over 100 participants registered for the webinar. The industry is requested to share their opinion/suggestions for the 2nd webinar of the series so that both countries can collectively chart a course toward a more vibrant and resilient textile ecosystem.

CAPACITY BUILDING WORKSHOPS ON SUSTAINABLE PRACTICES: NAVIGATING SOCIAL AND ENVIRONMENTAL DUE DILIGENCE

As European companies gear up to implement a comprehensive human rights and environmental due diligence framework across their supply chains, the Confederation of Indian Textile Industry (CITI) is proactively supporting textile and garment exporters. In collaboration with the Fair Wear Foundation, CITI has launched a comprehensive year-long program to enhance understanding of upcoming EU due diligence frameworks and amplify suppliers' voices in consultations.

On July 24 and 26, 2024, CITI organized two pivotal workshops in Surat and Coimbatore, respectively, in partnership with The Southern Gujarat Chamber of Commerce and Industry (SGCCI) and the Southern India Mills Association (SIMA). These workshops were designed to deepen participants' understanding of the Corporate Sustainability Due Diligence Directive (CSDDD) and Human Rights Due Diligence (HRDD) within the textile sector, reflecting a significant shift towards enhanced regulatory compliance and sustainability practices.



Glimpses of the workshop held at Surat on 24th July 2024 at SGCCI office



Glimpses of the workshop held at Coimbatore on 26th July 2024 at SIMA convention

Event Highlights

Surat Workshop (July 24, 2024):

The Surat workshop commenced with compelling addresses from Shri Vijaykumar Kanaiyalal Mevawala, President of SGCCI, and Ms. Chandrima Chatterjee, Secretary General of CITI. Their speeches laid the groundwork for an in-depth exploration of the impact of EU legislation on the textile industry. Key sessions featured presentations by Fair Wear Foundation representatives Ms. Mousumi Sarangi and Ms. Ingrid Elbertse, who shared valuable insights into HRDD and CSDDD. Expert discussions by Dr. Jayachandran Nair and Shri Prasad Pant focused on managing chemical compliance, underlining the significance of meeting regulatory standards.

Coimbatore Workshop (July 26, 2024):

In Coimbatore, the workshop was inaugurated by Dr. S.K. Sundararaman of SIMA, Shri

T. Rajkumar of CITI, and Shri Kumar Duraiswamy from TEA. The sessions continued to highlight EU legislation, with Ms. Mousumi Sarangi and Ms. Ingrid Elbertse providing further insights into HRDD and CSDD. Dr. Jayachandran Nair and Ms. Drashti Patel led comprehensive discussions on chemical compliance, emphasizing best practices, regulatory standards, and the importance of sustainable chemical management.

Essential HRDD Insights and Deliverables from the Fair Wear Foundation

HRDD is a proactive process that brands must implement to identify, prevent, mitigate, and account for potential and actual human rights impacts in their operations and supply chains. For suppliers, understanding HRDD involves recognizing the following key components:

1. Risk Identification and Assessment:

Suppliers should be aware that brands will assess their operations for potential human rights risks. Engaging in this process can help suppliers identify areas for improvement.

2. Preventing and Mitigating Impacts:

Suppliers are encouraged to take steps to prevent or mitigate adverse impacts on human rights. This may involve implementing corrective action plans and ensuring that their practices align with brand expectations.

3. Stakeholder Engagement:

Effective HRDD requires meaningful engagement with all stakeholders, including suppliers and workers. Suppliers should actively participate in discussions about human rights impacts and contribute to developing solutions.

4. Monitoring and Tracking:

Suppliers should be prepared for brands to monitor the effectiveness of HRDD processes. This may involve providing data and feedback on implemented measures.

5. Remediation:

If adverse impacts occur, suppliers may need to cooperate in remediation efforts, ensuring that affected parties receive appropriate remedies.

6. Reporting and Transparency:

Suppliers should understand that brands will communicate how they address human rights impacts. Transparency is crucial for building trust and accountability.

Understanding CSDD

A significant portion of the workshops was devoted to understanding the Corporate Sustainability Due Diligence Directive (CSDD) and its implications for the textile sector. Set to take effect in 2024, the CSDD will primarily impact companies within the EU but is expected to influence global supply chains. Discussions highlighted the importance of preparing for these regulations, especially given the EU's significant role as a market for Indian textile exports.

1. Civil Liability: Non-compliance can lead to civil liability for brands, underscoring the need for compliance throughout the supply chain.

2. Shared Responsibility: The CSDD emphasizes the importance of shared responsibility across the supply chain.

3. Collaboration and Alignment: View collaboration with brands as an opportunity to drive positive industry change.

Importance of Responsible Purchasing Practices

The workshops also emphasized the critical role of responsible purchasing practices in supporting HRDD and CSDD compliance:

1. Impact on Human Rights and Environment: Brands must ensure that their purchasing practices do not contribute to negative impacts on human rights and the environment. This includes pricing strategies that allow for fair labor costs and the capacity of suppliers to meet standards.

2. Long-Term Relationships: Establishing long-term relationships with suppliers fosters stability and enables better compliance with due diligence obligations.

3. Engagement Before Disengagement: Brands should engage with suppliers to address potential adverse impacts before considering disengagement, implementing preventive and corrective action plans as necessary.

4. Incentives for Improvement: Providing incentives for suppliers to enhance sustainability practices is crucial for driving industry-wide improvements.

5. Collaboration: Brands are encouraged to collaborate with suppliers to create a shared understanding of responsibilities and to support compliance efforts.

Chemical Compliance in the Textile Value Chain

The workshops included a detailed session on chemical compliance, with insights from the Regulatory Representatives and Managers Association (RRMA):

CITI ACTIVITIES...

- 1. Chemical Management:** Proper handling, storage, and disposal of chemicals.
- 2. Restricted Substances Lists (RSL):** Adherence to RSLs to avoid harmful substances.
- 3. Chemical Safety Data Sheets (SDS):** Ensure accessibility and availability of SDS for all chemicals.
- 4. Chemical Risk Assessments:** Evaluate and mitigate risks associated with chemical use.

The session covered regulatory standards like REACH and consumer product safety legislation, as well as voluntary certifications such as OEKO-TEX®, ZDHC, GOTS, and bluesign®. It emphasized the European Green Deal and the EU Chemicals Strategy for Sustainability as key drivers of change, equipping attendees with a comprehensive understanding of the regulatory landscape and best practices for managing chemicals in the textile supply chain.

The workshops provided a crucial platform for knowledge sharing and collaboration, advancing sustainability and due diligence in the textile industry. Participants gained a deeper understanding of the CSDDD and HRDD directives, underscoring the need for collaborative approaches to meet new regulatory requirements and enhance compliance. The events reinforced the importance of transparency and adherence to high standards.

CITI remains dedicated to leading initiatives that promote sustainability and compliance, ensuring that the textile industry adapts effectively to regulatory changes and upholds high standards of responsibility. Through continued collaboration and proactive engagement, CITI aims to support the industry in navigating these significant changes and achieving long-term sustainability.

LAUNCH OF THE CITI'S MANAGEMENT DEVELOPMENT PROGRAM ON ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (MDP-ESG)

As markets like the EU are increasing their focus on various due regulations and compliances towards safeguarding human rights and the environment with an increased focus on sustainability, circularity, and recyclability. Moreover, closer home national legislation changes are also making it imperative for the industry including the textile industry to know and to understand the ESG requirements and

reporting frameworks.

To enable the industry to have sustainability managers who are informed and equipped to draw up a target based ESG roadmap and good reporting systems, CITI has started the customised Management Development Program for textile and apparel industry managers.



*Group photographs during Inaugural Session including Shri Rakesh Mehra, Chairman, CITI; Dr. Anjani Prasad, MD, Anchroma India; Shri Sunil Patwari, Chairman, TEXPROCIL; Shri Siddharth Rajagopal, ED, TEXPROCIL & Ms. Chandrima Chatterjee, SG, CITI with key industry leaders & participants engaged in driving Sustainability initiatives
The inaugural batch of CITI's MDP held at Mumbai during 29th – 31st August 2024*

CITI ACTIVITIES...

The Inaugural batch of CITI's MDP-ESG was held from August 29 to August 31, 2024, at the Bombay Textile Research Association (BTRA), Mumbai. This three-day program served as a pivotal platform, bringing together industry leaders, experts, and academics to engage in deep discussions and knowledge sharing on critical ESG topics relevant to the textile sector.

The program started with the opening address of Secretary General CITI, Ms. Chandrima Chatterjee who welcomed all the participants and faculty members.

CITI Chairman, Shri Rakesh Mehra in his welcome address expressed his viewpoints on the various challenges and opportunities towards meeting the emerging compliances on sustainability by various major markets like EU. "Sustainability is not just about meeting the needs of the present without compromising the ability of future generations to meet their own. It is about adopting a holistic approach that integrates economic growth, social equity, and environmental protection." cited Shri Mehra during his address.



Chairman CITI – Shri Rajesh Mehra giving his welcome address during CITI's MDP

The inaugural session was also attended by participants from the Industry and Associations such as Shri Sunil Patwari, Chairman TEXPROCIL, Shri Anjani Prasad, MD, Archrom, and Dr. Siddhartha Rajagopalan, ED-TEXPROCIL and Dr.T.V Sreekumar, Director BTRA.

3 days residential program of CITI's MDP was concluded with the Certificate Distribution Ceremony held in the presence of the Chief Guest, Ms. Roop Rashi (Textile Commissioner).

The ceremony commenced with opening remarks by Ms. Chandrima Chatterjee, who warmly welcomed the Textile Commissioner and provided an overview of the program's activities and achievements thus far.

In his welcome address, CITI Chairman Shri Rakesh Mehra emphasized the critical importance of adhering to emerging sustainability compliances and expressed his delight at the active involvement of the younger generation in this crucial initiative.



Textile Commissioner Ms. Roop Rashi delivering her keynote address during the certificate distribution ceremony.

Delivering the keynote address, Textile Commissioner Ms. Roop Rashi commended CITI's efforts in launching the MDP program. She engaged with participants, industry experts, and faculty members. "Looking at the various emerging compliances on sustainability, I request for joint efforts to simplify the reporting process of different compliances so that even the MSMEs, which form the majority of the textile units, can also adhere to and report the various compliances without having any additional financial burden." cited Ms. Roop Rashi.



Textile Commissioner Ms. Roop Rashi distributing the certificates to the participants

The ceremony was further enriched by the presence of distinguished Subject Matter Experts, including Ms. Sudipta Bhadra, Chief Technical Advisor at ILO, Ms. Jhumki Dutta, Lead – Programmes at Partners in Change, Mr. Pradeep Narayanan, Director at Partners in Change, and Shri Vinod Jain, VP at Indo-Count Industries.

CITI ACTIVITIES...



Group photographs of MDP participants with Ms. Roop Rashi, Textile Commissioner; Mr. Rakesh Mehra, Chairman, CITI; Ms. Chandrima Chatterjee, SG, CITI; Ms. Bharti Birla, ILO

Dr. T.V. Sreekumar, Director of BTRA, delivered the vote of thanks, expressing gratitude to all those involved in the event.

During the 3 days of the CITI's MDP program, the Subject Matter Experts from institutes like IIM Mumbai, Monash University Australia, ILO, Regulatory Representatives and Managers Association (RRMA), Toxic Links, Partner in Change as also industry experts from TEXPROCIL, Indo-Count, Sulochna, etc touched upon the various crucial aspects of ESG such as:

- Sustainable Water Management and Circular Economy,
- Social aspects, Chemical Compliance, and Hazardous Materials Management,
- Real-life scenarios of Life Cycle Assessment,
- Different reporting frameworks for MSMEs, etc.
- Environmental Regulations & Compliance

- Extended Producer Responsibility (EPR)
- Disclosure on Environmental Impact, Social Responsibility, and Integrated Reporting
- Effectiveness of various frameworks,
- Understanding NGRBC and BRSR, etc

The event was a great success with active participation from the representatives of the well-known textile companies and looking at the success of the event, CITI is looking to hold the 2nd batch of the MDP program soon in Bangalore, the other important textile cluster of India.

Members may take note of the above and plan their participation in the upcoming batch of CITI's MDP program.

MoU OF CITI WITH FAIR WEAR FOUNDATION

The textile industry is increasingly being faced with growing requirements on the various social and environmental compliance requirements and proper disclosure formats to report on the same.

In this regard, several of the European countries have already brought in mandatory guidelines for reporting on due diligence on ESG parameters. Companies, including brands and retailers, in the context of the United Nations Guiding Principles on Business and Human Rights (UNGPs,) the OECD, Due Diligence Guidance for Responsible Supply Chains in the Garment Sector (OECD Guidelines) and upcoming/existing Human Rights and Environmental Due Diligence (HREDD) legislations, will have the responsibility to assess, identify, prevent, mitigate and remediate risks and violations in their supply chain.

Given the growing need for more awareness and capacity building in this area, CITI has signed an agreement with the Fair Wear Foundation for raising awareness on HRDD and greater engagement of the industry in this area to facilitate improved industry action through more information and validation to enable impactful due diligence action and reporting.

The areas of collaborative activity include :

- CITI together with Fair Wear will have meetings with the senior level management of the leading suppliers for an understanding of the requirements and challenges of implementing the HRDD framework.
- Organise small cluster level workshops along with our regional associations in the textile clusters of Coimbatore, Bangalore, Ahmedabad, Mumbai and Delhi for training of the industry members on HRDD.
- To ensure an institutional long term repository of the technical know-how of the HRDD content and implementation, CITI will anchor a Facilitation Hub at CITI office to service industry queries, capacity building needs and initial handholding of the industry members who want to get trained on the HRDD framework



Signing of MoU by Ms. Chandrima Chatterjee, SG, CITI & Ms. Annabel Meurs, Associate Director, Fair Wear Foundation

- Support or co-host supplier facing learning and capacity building events on HRDD at production locations
- To work on dissemination of practical tools aimed at the improvement of purchasing practices

The first the cluster level meetings started with a meeting in Delhi at the Netherland Embassy on 1st March 2024. CITI will be planning cluster level training programmes on HRDD along with our regional associations in the various textile clusters.

CITI AND TAIWAN TEXTILE FEDERATION (TTF) SIGNED MOU TO ENHANCE TRADE AND TECHNOLOGY COLLABORATION

CITI and TTF have entered into a Memorandum of Understanding (MoU) to enhance cooperation between their respective textile and clothing industries.

The agreement was signed by CITI-Chairman, Shri Rakesh Mehra and TTF- Chairman, Mr. James Kuo, marking a significant development in bilateral textile relations.

The MOU outlines several key initiatives to bolster collaboration between the two organisations which includes actively promoting business activities in trade, investment, technology and cooperation, as well as providing platforms for constructive dialogue among their members as also facilitating information exchange on policies and industry activities. The MoU also worked out plans for organizing seminars, exhibitions, conferences,



and engagements with policymakers, delegations, and trade promotion agencies to foster greater economic synergy between India and Taiwan.

CITI MEETS KOREAN TEXTILE DEVELOPMENT INSTITUTE TO DISCUSS FOSTERING PARTNERSHIPS AND ADVANCEMENTS

On November 23, 2023, representatives of Confederation of Indian Textile Industry (CITI), Ms. Chandrima Chatterjee, Secretary General, Mr. Manoj Sharma, Joint Secretary and Korea Textile Development Institute (KTDI), Mr. Sang Gi Hong, Team Leader-International Cooperation Team and Mr. Jaedong Kang, Assistant Professor, RBS met in CITI's New Delhi office. Discussions included fostering collaboration in areas of Advanced Materials, Artificial Intelligence, emerging technologies, and technology transfer.

As a non-profit organization, KTDI contributes research, development, testing, and training facilities to the fibre industry. KTDI officials also discussed avenues of potential support from the Korean Government to fund R&D



initiatives by consortium of Indian researchers. Both parties expressed keenness to continue the dialogue, emphasizing joint efforts to accelerate R&D in the Textiles and Apparel Sector.

16.

LIST OF PAST CHAIRMEN CONFEDERATION OF INDIAN TEXTILE INDUSTRY (Formerly known as The ICMF)

Name of the Past Chairman	Period
Late Shri Kasturbhai Lalbhai	1958-60
Late Shri Krishnaraj M.D. Thackersey	1960-61
Late Dr. Bharat Ram	1961-63
Late Dr. Ramnath A. Podar	1963-65
Late Cav. Dr. G.K. Devarajulu	1965-67
Late Shri Madanmohan Mangaldas	1967-69
Late Shri Radhakrishna R. Ruia	1969-71
Late Shri Tej Kumar Sethi	1971-73
Late Shri G.K. Sundaram	1973-75
Late Shri Balkrishna Harivallabhdas	1975-77
Late Shri Rasesh N. Mafatlal	1977-78
Shri J.P. Goenka	1978-80
Shri K. Rajagopal	1980-82
Late Shri Arvind Narottam Lalbhai	1982-84
Shri Kantikumar R. Podar	1984-86
Shri Satish Kumar Modi	1986-88
Late Shri G. Varadaraj	1988-90
Shri Rohitbhai C. Mehta	1990-92
Late Dr. Mohanlal Piramal	1992-94
Shri R.V. Kanoria	1994-95
Shri D. Lakshminarayananaswamy	1995-97
Shri Deepak Parikh	1997-98
Shri Sudhir Thackersey	1998-00
Shri B.K. Patodia	2000-01
Late Dr. Rajaram Jaipuria	2001-02
Shri Chintan Parikh	2002-03
Dr. B.K. Krishnaraj Vanavarayar	2003-04
Shri V.K. Ladia	2004-05
Shri Hiren Shah	2005-06
Shri Shekhar Agarwal	2006-07
Shri R.K. Dalmia	2008-09
Shri Shishir Jaipuria	2009-11
Shri S.V. Arumugum	2011-13
Shri Prem Malik	2013-15
Shri Naishadh Parikh	2015-17
Shri J. Thulasidharan	2017
Shri Sanjay Kumar Jain	2017-19
Shri T. Rajkumar	2019-2023



CONFEDERATION OF INDIAN TEXTILE INDUSTRY

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