TEXTILE TIMES

CITI
CONFEDERATION OF INDIAN TEXTILE INDUSTRY
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NAVIGATING TARIFFS AND COMPETITIVENESS

CONFEDERATION OF INDIAN TEXTILE INDUSTRY
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Bharat TEX 2026
TEXTILES | FASHION
SUSTAINABILITY
Date: July 14th - July 17th
Venue: Bharat Mandapam, New Delhi, India

KNOWLEDGE SESSIONS

PRESENTED BY

CITI AT BHARAT TEX 2026

KNOWLEDGE. INNOVATION. SUSTAINABILITY.

Smart Factories & Industry 5.0:

The Future of Textile Manufacturing

14th July 2026,
2:30 PM - 3:30 PM

Brands for Billions:

Scaling Fashion for India & the World

15th July 2026,
11:30 AM - 1:00 PM

IN ASSOCIATION WITH

CMAI
THE CLOTHING MANUFACTURERS ASSOCIATION OF INDIA

Supporting the Tex-Eco Initiative:

Shaping the India Sustainability Mark (ISM)

16th July 2026,
10:00 AM - 11:00 AM

Dear readers,

Things have finally started to look up for the Indian textile and apparel sector after close to a year of unimaginable stress, exacerbated since March this year by the conflict in West Asia.

But with normalcy expected to return to West Asia, and clarity likely to emerge soon on the US tariff regime for India and how it compares with others, the days of living in perennial uncertainty and having to firefight daily may hopefully become a thing of the past for textile and apparel companies.

I would not like to speculate on what the new US tariffs for India would be. Except to reiterate the hope that the final tariff would be such that it would allow our textile and apparel exporters to become more competitive in the world's No.1 economy. Despite the steep 50% tariff that was in place from near the end of August 2025 to early February 2026, India's textile and apparel exports to the US touched $10.8 billion during January-December 2025, underscoring the resilience of the sector.

But even as we await matters to unfold on the US front, the clarity now available on the implementation timeline for the India-UK Comprehensive Economic and Trade Agreement (CETA) is excellent news for several reasons.

The UK remains one of the largest markets for Indian textile and apparel products. Under CETA, Indian exports will now enjoy zero-duty access, eliminating the duty handicap they previously faced against key competitors.

With pricing becoming significantly more attractive, Indian manufacturers will now be better positioned to expand their market share across both top-tier and broader textile segments in the UK. Importantly, this clear timeline will also allow Indian businesses to plan, negotiate, and lock in deals with prospective UK buyers with greater confidence.

I want to take this opportunity to express our gratitude to the Hon'ble Prime Minister Shri Narendra Modi and the UK authorities for bringing this landmark agreement to fruition.

I am happy to inform you that CITI is working closely with authorities and industry to ensure Indian companies are fully prepared to leverage the opportunities that will open following the India-UK CETA. As I have always maintained, trade deals open doors, but companies will need to walk through those. Market access is never the same as market share. Competition must be dealt with, and customers must also be convinced to buy more Indian textile and apparel items. The more prepared we are, the better our chances of maximising the benefits of the India-UK CETA.

However, resilience, coupled with companies putting their best foot forward to become more agile, can only take an industry that far. By itself, these will not make the industry more globally competitive, a critical need, for the $350 billion vision for a textile and apparel sector by 2030.

The government has been most supportive of the growth requirements of the textile and apparel industry, and we expect this support to continue. Although the import duty on cotton has been temporarily waived till October 31, 2026, for which the entire industry is very grateful to the authorities, this import duty must be permanently waived.

As a report on India's cotton sector jointly prepared by Gherzi and the International Cotton Advisory Committee (ICAC), released in May 2026, stated, ad-hoc relief from the cotton import duty has a limited impact.

“A stable and predictable policy is imperative to allow the mills to sustain their operations and fulfil the market demand. There is a need to withdraw import duty on cotton and allow the mills to have access to cotton at competitive prices,” the study said, pointing out that India's competitors in Asia have free access to international cotton without any import duty.

Cotton imports are largely quality and specification-driven, catering to specialised requirements and back-to-back export orders, and do not displace domestic cotton. The underutilization of capacity and associated employment risks across the value chain, besides the potential loss of integrated full basket business opportunities in downstream segments, are also strong grounds for removing the import duty on cotton.

Although the Mission for Cotton Productivity – a 5-year programme – is a splendid initiative, it will not immediately address the industry's concerns.

Supporting the textile and apparel industry with a more supportive policy framework on a critical raw material can ensure long-term gains for both industry and farmers in line with the 'development for all' principle.

Before I conclude, let me turn attention to the performance of textile and apparel exports in April-May 2026 and my perspective on how the remaining portion of the financial year 2026-27.

India's textile and apparel exports showed divergent trends in the first two months of FY27. Combined exports of textiles and apparel in April-May 2026 declined 4.44% in US dollar terms compared to the same period last year, with textile exports rising 3.03% and apparel exports dipping 12.98%.

However, while the sharp decline in apparel exports continued to weigh on the overall performance of textile and apparel exports in April-May 2026, I am confident that apparel exports will soon get back on the growth track.

New opportunities emerging from the Free Trade Agreements (FTAs), the likely operationalisation of an India-US trade deal, a supportive policy environment, and the increasing focus on global competitiveness by industry players give me plenty of cause for hope of a brighter future for the Indian textile and apparel sector.

Ashwin Chandran
Chairman - CITI

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Authorities must fast-track the rollout of the Tex-Eco initiative "to promote competitive and sustainable" textiles and apparel, announced in the latest Union Budget, as more time taken in making the sustainability ecosystem take deeper root in the MSME-dominated textile and apparel industry can come in the way of the $350 billion aspiration for the sector.

Greater clarity being provided on the contours of the programme, especially the funding envisaged and the eligibility criteria for obtaining financial support, could help companies in their business planning and reduce at least one level of uncertainty in an already volatile and uncertain global business environment. It would especially benefit MSMEs that are finding it a challenge to advance quickly on the sustainability aspect and need an enabling, handholding framework.

Many MSMEs in the textile and apparel arena are not where they would ideally like to be on the sustainability front, not due to a lack of intent on their part but because of the deep operational, financial, and capability constraints that they usually face. Delay in addressing their sustainability challenges pushes back the time taken for several MSMEs to become internationally competitive, leverage opportunities emerging from free trade agreements (FTAs), and create more jobs.

Sustainability investments involve huge upfront costs, though the returns are not always immediate. While the larger entities can make these investments to meet global regulatory requirements and for long-term reputational and financial gains, most MSMEs don't have the financial bandwidth to do likewise. This is why the Tex-Eco initiative becomes so much more important for MSMEs, as it holds the potential of alleviating some of the difficulties faced by smaller companies in obtaining funding for their own sustainability initiatives and, by extension, ensures that it is not just the large players that can be a part of global value chains and take advantage of the FTAs.

With sustainability becoming a non-negotiable criterion for global buyers, the Tex-Eco initiative carries with it the promise of levelling the playing field to an extent for the big and small textile and apparel companies in India on the sustainability aspect. But this promise only gets fulfilled when the intervention is timed right, as otherwise it only ends up benefiting a few.

For India to become a more potent force in the global textiles and apparel arena, the country needs both its large and small entities to become more internationally competitive. An either-or scenario would not significantly move the needle on the global competitiveness front, since there is no running away from the reality that MSMEs would continue to be the bulwark of India's textile and apparel sector in future too.

Kickstarting the process of empowering textile and apparel MSMEs at the earliest, on the sustainability parameter, through the Tex-Eco initiative, is a solid business case. It is also an urgent developmental imperative, considering the pivotal role played by the textile and apparel sector in the nation's growth and development process.

Chandrima Chatterjee
Secretary General - CITI

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NAVIGATING THE U.S. TARIFF CHALLENGE:

INDUSTRY SURVEY–BASED POLICY RECOMMENDATIONS

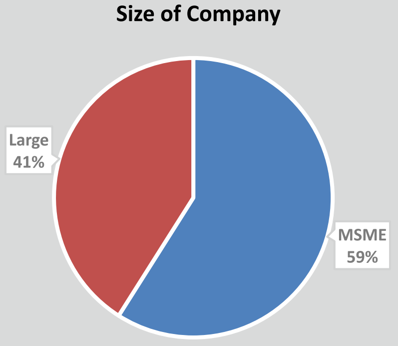
2ND ROUND OF SURVEY CONDUCTED BY - CONFEDERATION OF INDIAN TEXTILE INDUSTRY

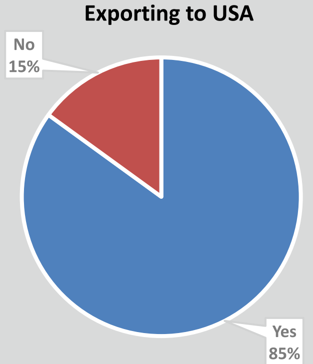
Background of the Survey

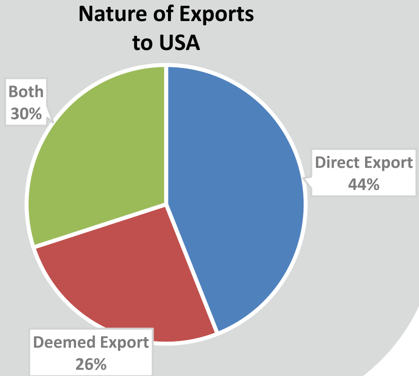
- The imposition of **25% additional ad valorem tariff and 25% penalty** (adding to 50% additional tariff) has significantly undermined the competitiveness of Indian T&A exports to USA, which is the largest market for India's T&A exports.
- To understand the magnitude and nature of the **economic and operational** impact in T&A industry and to identify priority policy interventions needed to mitigate adverse effects and restore competitiveness, CITI conducted a survey in **September 2025** amongst all the segments of the T&A industry.
- This is the **2nd round** of the survey conducted by CITI in **December 2025** to assess the **continuing impact, understand market responses and evaluate market preparedness of industry towards diversification**.

Nature of the Respondents

The 2nd round of survey was conducted amongst different types of business entities catering to USA market directly or indirectly. Product range included yarn, fabric, apparels and made-ups

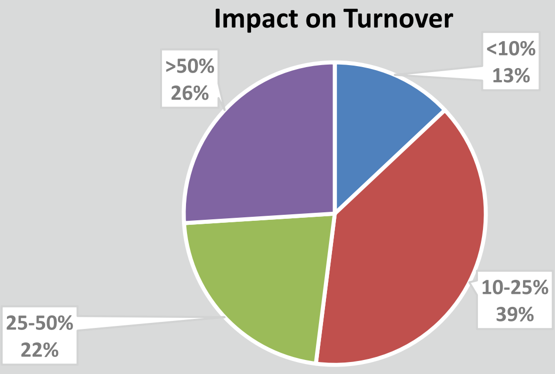






Impact on Business Due to US Tariffs

- **About 1/4th** of the respondents reported that their turnover has been adversely reduced **by more than 50%** in Oct-Dec 2025 compared to July-Sept 2025.
- The major factors contributing to this decline include:
  - **Reduction** in order volumes – 82.6% respondents compared to 20% during July – Sept.
  - Requests for **discounts** by U.S. buyers – 73.9% respondents compared to 30% during July – Sept
  - **Cancellation or postponement** of orders –48% respondents compared to 25% earlier.
- About **60% of the respondents have reported a shift in export orders** to countries like Bangladesh, Vietnam having competitive advantage over India.



Industry has pessimism about the performance in upcoming quarter

- Respondents opined that policy measures like **Duty free Import of cotton till 31st Dec 2025, Collateral Free Credit Guarantee Scheme** helped them somewhat to mitigate the US tariff impact.
- However, **65% of the respondents opined that further thrust in the form of more impactful policy measures are the need of hour** to mitigate the impact.
- With the present conditions, majority of the respondents are anticipating **a further decline of upto 50% in Jan-March 2026 compared to Sep-Dec 2025.**

Though Industry is looking to diversify, the result till now has been low

- **17% of the respondents have been able to diversify into new markets, and 44% further are exploring new markets to diversify**.
- However, the **diversification till December 2025 have reported to be remained lower than 10% of impacted products.**
- **EU-27, UK, Australia, UAE** are some of the markets where industry has been able to diversify or looking to diversify.
- **Respondents cited disadvantages related to competitiveness in alternative markets** as the key constraint to diversification. Other commonly reported barriers **included a lack of buyers, limited market knowledge, payment-related risks, and high logistics costs.**

Policy measures requested to mitigate the impact

- Expedite FTA with markets like EU-27; Expedite implementation of India-UK CETA.
- Handholding to outreach new markets through a scheme similar to Focus Market Incentive Scheme wherein Government may provide duty support to the extent of duty disadvantage in those markets.
- Extend the timeframe of recent policy measures related to the moratorium on instalments, recalculation of drawing power, and credit support by atleast 31st March 2026 and extend the same for the entire textile value chain including Tier 2 and Tier 3 exporters.
- Increase the rate of interest subvention on all exports from present 2.75% to 5% under the recently announced Interest Subvention Scheme.
- Extend 30% collateral free loan under ECLGS (similar to the one extended during Covid both for MSMEs and larger companies)

SUSTAINABILITY NEEDS MORE FOCUS

-SHRI RAHUL MEHTA, CHIEF MENTOR, CMAI

Q. How can India's textiles and apparel sector effectively leverage the trade agreements already concluded by India, as well as those currently under negotiation?

A. I believe the first and foremost step the industry will have to take is to prepare its supply chain to meet the potential increase in demand for our apparel.

To do this, the following steps are essential:

- Switch aggressively onto MMF-based garments; Relying on our traditional product basket is not going to give us the growth we are anticipating.
- We will need to gear up our factories for the additional capacities required.
- We will need to shift our focus from cost and subsidies to sustainability, compliance, and productivity.
- We should learn from our past mistakes and not wait for customers to flock to our factories to place orders; We will need to 'market' ourselves, our products, and our factories.

Q. What measures, in your view, are necessary to deepen the adoption of sustainability and innovation across the textiles and apparel ecosystem?

A. At the very outset, we will need to change our mindset. We will need to believe that sustainability is not restricted to conferences and symposia – it is real, practical, and can be profitable if pursued appropriately. As for innovations, if we want to merely continue producing and selling what we have been doing for the past few decades, we will miss the opportunity once again. We will need to bring in new practices, processes, and products if we are to take advantage.

Q. Which segments within the textiles and apparel sector, in your opinion, offer the highest growth potential in the coming years?

A. Performance clothing, Uniforms, MMF-based Formal Wear, Menswear, and Kids wear.

Q. How do you think greater foreign direct investment may be attracted into India's textiles and apparel sector?

A. Most issues have been addressed. What remains are the Ease of doing Business, cost of finance, and further relaxations of labour laws and factory operations.

Q. How can states play a more proactive role in enhancing India's global competitiveness in textiles and apparel?

A. States are already offering major incentives to invest in their Parks. What is now required is to ensure that promises are, in fact, converted into reality – subsidies paid on time, babudom minimised, and rules and regulations aimed at supporting the 95% honest businessmen and not (just) 'catching' the dishonest ones.

REMOVAL OF QCOs
A STRATEGIC BOOST TO INDIA'S TEXTILE MANUFACTURING COMPETITIVENESS

The recent decision by the Government of India, guided by **NITI Aayog & Textile Ministry**, to remove **Quality Control Orders (QCOs)** on fibres, yarns, and raw materials marks a decisive and timely reform for the Indian textile and apparel industry. This progressive step, taken after extensive consultations with various associations across the country, addresses long-standing structural constraints faced by the sector and significantly enhances India's global competitiveness.

Aligning India's Manufacturing Ambitions with Global Realities

China continues to dominate global textile manufacturing due to scale, cost efficiency, and unrestricted access to a wide range of raw materials. For India to emerge as a credible alternative manufacturing hub, particularly under the **Make in India** vision, it is essential to ensure **raw material availability at globally competitive prices**. The removal of QCOs on fibres, yarns, and raw materials is therefore a strategic intervention rather than merely a regulatory change.

This reform strengthens the entire textile value chain—from fibre to yarn, fabric, garments, and exports—while supporting **rural employment generation**, MSME participation, and export-led growth.

Immediate Market Impact: Price Corrections and Cost Competitiveness

The positive effects of QCO removal are already visible in the market:

- **Polyester Staple Fibre (PSF) prices have declined by around 4%**, despite an upward movement in exchange rates.
- **Lyocell fibre prices have reduced by 3%**, with the sole domestic manufacturer indicating a **further 5% reduction by January 2026**.
- Yarn prices have corrected accordingly, improving the cost structure of downstream fabric and garment manufacturers.

These price corrections directly enhance the **export competitiveness of Indian garments and textiles**, with tangible export growth expected to reflect in trade data over the next **two to three quarters**.

Enabling Access to Value-Added and Specialty Fibres

Another significant benefit of QCO removal is the freedom for spinning mills to source **specialty and value-added fibres** from global markets. Mills can now diversify product offerings by importing fibres such as:

- Angelic and other exotic fibres
- Cationic polyester fibres
- Specialty viscose and blended fibres

This flexibility allows Indian manufacturers to move beyond commodity products and participate in **high-value, niche, and performance textile segments**, which are increasingly in demand in international markets.

Strengthening the Export Ecosystem

Lower raw material costs, wider fibre choices, and reduced regulatory friction collectively strengthen India's textile export ecosystem. The reform supports:

- Faster response to global fashion trends
- Improved supply chain efficiency
- Better alignment with buyer specifications
- Increased utilization of installed textile capacity

These outcomes are critical as India positions itself as a reliable, scalable, and cost-competitive sourcing destination amid global supply chain realignments.

EXPECTED EXPORT IMPACT

Lower fibre and yarn costs translate directly into improved competitiveness of fabrics and garments in international markets.

- Improved price realization for exporters (Specially with US Tariffs in place).
- Higher order conversions from global buyers.
- Increased utilization of Textile capacity.

The industry expects visible growth in garment and textile exports within the next two to three quarters, reflecting these cost efficiencies.

Request for Continuation of Basic Customs Duty Relief

While the removal of QCOs has delivered immediate relief, the industry's competitiveness will be further strengthened if **Basic Customs Duty (BCD) on cotton exemptions are extended beyond 31 December 2025**.

We respectfully request **NITI Aayog and the Government of India** to consider continuing this support, as:

- Global competition remains intense, particularly from China and other low-cost manufacturing nations
- Stable and predictable duty structures are essential for long-term investment planning
- Export growth requires sustained cost competitiveness, not temporary relief

Extending BCD relief on import of cotton will complement the QCO reforms and ensure that Indian manufacturers can fully capitalize on the benefits of open raw material access.

Conclusion

The removal of QCOs represents a **forward-looking policy reform** that aligns India's textile sector with global best practices. Early indicators—such as reductions in PSF and lyocell prices and increased access to specialty fibres—clearly demonstrate the effectiveness of this initiative.

With continued policy support, including the extension of Basic Customs Duty relief on import of cotton beyond existing cut off date of 31 Dec 2025, India can accelerate its journey toward becoming a **global leader in textile manufacturing**, generate widespread rural employment, and significantly expand its share in international textile and apparel trade.

TARIFF PRESSURES AND AUTOMATION IMPERATIVES: INDIAN TEXTILE INDUSTRY AT A STRATEGIC CROSSROADS

The Indian textile and apparel (T&A) industry is entering a decisive phase marked by intensifying global trade disruptions and accelerated technological transformation. These twin forces formed the core of deliberations at the recent Annual General Meeting of the CITI Young Entrepreneurs Group (YEG), held on 18th December, 2025 in Mumbai, an initiative of the Confederation of Indian Textile Industry.

CITI YEG organised session on "Tariff Shock: How US & Mexico 50% Duties Are Reshaping India's Textile Export Landscape" / "Industrial Automation at the Crossroads : How Automation and Robotics is Transforming Global T&A Manufacturing"

The YEG forum provided a timely platform to assess the implications of recent US tariff measures and the growing relevance of automation in redefining global competitiveness.

Industry leaders, including Mr. Ajay Arora, Managing Director, D' Décor Home Fabrics Pvt. Ltd, and representatives from The Cotton Textiles Export Promotion Council (TEXPROCIL), Dr. Siddhartha Rajagopal, Executive Director, emphasized that the current situation reflects a structural shift rather than a cyclical downturn.

"This is not a temporary disruption—it is a structural shift. The industry must respond with long-term strategies, not short-term reactions."

— Mr. *Ajay Arora, MD, D'décor Home Fabrics*

Diversification and FTAs: Rebalancing Market Exposure

A key outcome of the discussions was the recognition that market diversification is no longer optional. Exporters are increasingly redirecting focus toward alternative geographies, particularly Europe and emerging markets, while leveraging existing agreements with countries such as the UAE and Australia.

At the same time, stakeholders stressed the urgency of concluding Free Trade Agreements (FTAs) with key partners including the EU and the UK.

"We must diversify markets, strengthen FTAs, and move up the value chain to remain globally competitive." — Dr. Rajagopal, ED, *TEXPROCIL*

The industry is also recalibrating its approach to customer engagement, maintaining relationships in traditional markets while exploring new channels, including e-commerce and integrated supply models.

Despite challenges such as cautious inventory strategies by global retailers, favorable factors—including softer cotton prices and exchange rate movements—offer partial support.

"Scaling down is not an option. The focus must be on repositioning and building new market linkages."

— *Ajay Arora, D'Decor*

Facilitation of newly elected YEG Chairman, Mr. Gautam Ganeriwal

Facilitation of new YEG office bearers

Automation and Industry 4.0: The Next Frontier

Parallel to trade challenges, the meeting highlighted the growing centrality of automation, robotics, and digitalization in shaping the future of textile manufacturing.

Insights from global experts—including Mr. Praveen Vadambe, Gherzi Consulting Engineers, Mr. Gurudas Aras, RWTH Aachen University, and Mr. Kasiviswanathan Palanisamy, Director, Picanol India—pointed to rapid advancements in AI-driven quality control, IoT-enabled systems, robotics, and automated material handling.

"Automation is no longer optional—it is inevitable. The question is not whether to adopt, but how fast."

Importantly, the transition to automation is not limited to greenfield investments. Experts emphasized that incremental adoption within existing facilities can deliver significant efficiency gains.

MSME Inclusion and Policy Imperatives

While large enterprises are relatively better positioned to invest in advanced technologies, MSMEs face structural constraints, particularly in terms of capital access and risk appetite.

The discussions underscored the need for targeted policy interventions, including:

- Technology upgradation support for existing units
- Faster and transparent disbursement of export incentives
- Extension of trade relief measures
- Simplification of compliance and regulatory

frameworks

"Government support for technology upgradation—especially for existing units—is essential to drive large-scale adoption."

— Dr. Rajagopal, *TEXPROCIL*

Labour Reforms and Ease of Doing Business

The evolving labour law framework also featured prominently in the discussions. Industry stakeholders highlighted the benefits of greater flexibility, while calling for continued dialogue during rule finalization to ensure practical implementation.

Operational challenges, including issues related to EPF systems and compliance processes, were flagged for policy attention.

The CITI YEG AGM 2025 reinforced a defining reality—the Indian textile industry is at an inflection point. The convergence of **trade disruptions and technological transformation** demands a shift in mindset, strategy, and execution.

India's textile industry must transition from a cost-driven model to a capability-driven ecosystem, underpinned by innovation, diversification, and technology adoption.

As the industry recalibrates its approach, the ability to adapt proactively, invest in future-ready capabilities, and engage collaboratively with policymakers will determine its trajectory in the evolving global landscape.

In the CITI YEG AGM, The Young Entrepreneurs Group (YEG) of the Confederation of Indian Textile Industry (CITI) elected **Mr. Gautam Ganeriwal**, Executive Director of **Sitaram Spinners**, as its **Chairman** for the term **2025–27**. **Mr. Shailesh Goenka**, Director, **Texport Industries**, has been elected as the **Vice Chairman** of the Group for the same period.

CITI YEG also placed on record its **sincere appreciation and thanks to Mr. Rajjnish Aroraa of Dicitex Furnishings** for his exemplary leadership and valuable contribution during his tenure as **Outgoing Chairman**. Under his guidance, the Group strengthened its engagement, initiatives, and impact across the textile industry.

Mr. Gautam Ganeriwal, Chairman, CITI YEG

Mr. Gautam Ganeriwal is the Executive Director of Sitaram Spinners, a well-established textile manufacturing company. With hands-on experience across operations, strategy, and sustainability initiatives, he represents the new generation of textile leadership focused on innovation, efficiency, and responsible growth. He has been actively involved in industry forums and initiatives aimed at strengthening the competitiveness of India's textile sector.

Mr. Shailesh Goenka, Vice Chairman, CITI YEG

Mr. Shailesh Goenka is Director at Texport Industries, a leading integrated textile and apparel manufacturing company. He brings strong expertise in exports, supply chain management, and business development. Actively engaged with industry bodies, Mr. Goenka has been a strong advocate for modernization, global market expansion, and collaboration among young entrepreneurs.

CITI CDRA

SCALING IMPACT IN SUSTAINABLE COTTON INVITING PARTNERSHIPS FOR THE FUTURE

Celebrating 55 years of dedicated service and stepping into its 56th year, CITI Cotton Development and Research Association (CITI CDRA) continued to drive measurable impact across India's cotton value chain. With a strong focus on sustainability, productivity enhancement, and quality improvement, the organisation expanded its outreach and deepened farmer engagement across Maharashtra, Madhya Pradesh, Rajasthan, and Gujarat.

During 2025–26, CITI CDRA reached **approximately 32,400 farmers across 15 districts of 4 states** - implementing structured, multi-stakeholder interventions under key programmes including the Special Project on Cotton (NFSM) by MoAFW, regenerative agriculture initiatives, KASTURI Cotton Clusters, and the ILO-supported RISE for impact programme. These initiatives collectively addressed medium, long, and extra-long staple cotton systems, ensuring a comprehensive and scalable model for sustainable cotton production.

As the January–March quarter marks the culmination phase of the cotton season (June-March 2025), field interventions translated into strong, measurable outcomes in both productivity and fibre quality.

Crop Cutting Experiments (CCEs) and field-level assessments conducted across demonstration plots recorded average seed cotton yields of:

MCH (Medium & Long Staple Cotton):
11.14 quintals per acre
DCH / ELS (Extra Long Staple Cotton):
7.8 quintals per acre

The interventions resulted in an estimated **11% to 20.5% increase in productivity** over non-project areas, demonstrating the effectiveness of integrated sustainability-driven approaches. Beyond yield improvement, the initiatives also contributed towards better fibre quality, improved farm profitability, enhanced farmer adoption of regenerative practices, and stronger market-oriented cotton production systems.

Advancing Regenerative and Climate-Resilient Agriculture

Sustainability remains at the core of CITI CDRA's approach. The promotion of regenerative practices-including biochar application, Jeevamrut, composting, and bio-inputs such as Trichoderma and VAM-has contributed to improved soil health, enhanced soil organic carbon, and reduced dependency on chemical inputs.

The ongoing RegenAgri certification process is further strengthening traceability and enabling farmers to integrate into responsible and sustainable cotton supply chains-creating new opportunities for brands and buyers seeking verified sustainable sourcing.

Strengthening Capacities, Ensuring Responsible Practices

Farmer capacity building continues to be a cornerstone, trainings, demonstrations, and awareness programmes conducted on key aspects such as Integrated Pest Management (IPM), High-Density Planting Systems (HDPS), canopy management, and safe pesticide use.

The integration of the ILO's Fundamental Principles and Rights at Work (FPRW) ensures that sustainability efforts are complemented by a strong commitment to safe, ethical, and inclusive labour practices at the farm level-an increasingly critical requirement for global supply chains.

Enabling Technology Adoption & Market Linkages

Efforts to promote farm mechanization, including mechanical cotton-picking demonstrations, are helping address labour constraints while improving efficiency. Simultaneously, initiatives on MSP awareness and structured market linkages are enabling farmers to make informed marketing decisions and access better price opportunities.

Building Platforms for Collaboration and Innovation

A major highlight of the year has been the large-scale organisation of Kisan Melas across 11 districts and the launch of KASTURI Cotton Villages & Mitras under Bharat CotNet in Bhilwara, Rajasthan. These platforms have emerged as powerful convergence points - facilitating direct engagement between farmers, researchers, industry stakeholders, and input providers, while showcasing innovations across seeds, irrigation, and farm mechanization.

A Collaborative Model Delivering Impact

Despite challenges such as weather variability, pest pressures, and moisture-related price fluctuations, strong field-level coordination and timely technical advisory ensured effective programme delivery. The success of these initiatives has been driven by robust collaboration with government institutions, research bodies, certification agencies, and industry partners, demonstrating the strength of a multi-stakeholder approach.

Looking Ahead: Expanding Impact Through Partnerships

CITI CDRA's integrated model has consistently delivered:

- ✔ Improved farmer incomes
- ✔ Enhanced cotton quality and traceability
- ✔ Increased adoption of sustainable and climate-resilient practices

Building on this strong foundation, the organisation is now focused on:

- Scaling traceable and sustainable cotton supply chains
- Expanding farmer outreach and regenerative certification coverage
- Strengthening industry linkages and global market positioning of Indian cotton

As sustainability and traceability become central to global textile value chains, CITI CDRA invites brands, donors, development agencies, and industry stakeholders to collaborate in scaling impactful, field-driven interventions. Together, these partnerships can accelerate the transition towards a more resilient, responsible, and globally competitive cotton sector in India.

Partner Box | 2025–26 Collaborations

CITI CDRA sincerely acknowledges the continued support and collaboration of its esteemed partners during the 2025-26 cotton season. The success and scale of these initiatives have been made possible through the collective efforts of government institutions, technical agencies, certification bodies, and industry stakeholders.

Government & Institutions: Ministry of Agriculture & Farmers Welfare | Ministry of Textiles | State Agriculture Departments

Technical & Research: ICAR CICR | ICAR CIRCOT

Development Partner: International Labour Organization (ILO)

Industry & Implementation: NSL Textiles | Vardhman Textiles | Indo Count Industries | Wacker Metroark Chemicals | TEXPROCIL | Cotton Corporation of India (CCI) | RTMA | Zydex Industries | Control Union

We also extend our appreciation to all collaborating ginners, traders, field teams, and most importantly, the farmer communities, whose active participation and trust remain the cornerstone of this initiative.

13TH ASIAN TEXTILE CONFERENCE (ATEXCON 2026)

RE-IMAGINING THE FUTURE OF GLOBAL TEXTILES

Guests and delegates standing for the National Anthem during the inauguration of ATEXCON 2026, Hyderabad

ATEXCON 2026 marked a pivotal moment for the global textile industry as it navigates a transition from cost-driven growth to resilience, innovation, and sustainability-led transformation.

ATEXCON 2026, the 13th Asian Textile Conference, one of Asia's premier textile summits, was jointly organized by the Confederation of Indian Textile Industry and the Government of Telangana in Hyderabad on April 3, 2026. The conference was inaugurated by Shri Anumula Revanth Reddy, whose address set a powerful and forward looking tone for the event, highlighting Telangana's ambition to emerge as the “textile capital of South Asia” and reaffirming the state's commitment to building a robust, sustainable, and investor friendly textile ecosystem.

Centered around the theme *“Reimagining the Future of Global Textiles,”* the conference brought together leading policymakers, global industry experts, and key stakeholders to deliberate on the transformation required across the textile value chain. The discussions focused on addressing global challenges such as geopolitical shifts, sustainability mandates, technological disruption, and evolving trade dynamics.

ATEXCON 2026 served as a strategic platform to explore pathways for innovation led growth, adoption of advanced manufacturing technologies, and integration of sustainability into core business strategies. With a strong emphasis on collaboration across industry and government, the conference reinforced India's vision to strengthen its global position and scale textile and apparel exports to USD 100 billion by 2030, while positioning Asia as a key driver of the future global textile landscape.

Inaugural Session: Setting the Vision

Key Highlights

The inaugural session of ATEXCON 2026 set a strong and forward-looking tone for the conference, bringing together key government authorities, global industry leaders, and policymakers to outline the future direction of the textile sector. The session emphasized the need for a resilient, future ready, and globally competitive textile ecosystem, aligned with emerging global realities.

Address by Chief Guest, Chief Minister of Telangana, Shri Anumula Revanth Reddy

❖ **The summit was inaugurated by the Chief Minister of Telangana, Shri Anumula Revanth Reddy, who:**

- Highlighted Telangana's ambition to become the "textile capital of South Asia"
- Stated that the state has both the "skill and will" to partner with the textile industry
- Promoted the vision of "fashion made in Telangana"
- Emphasized development of green textile hubs and focus on environmental sustainability
- Reinforced Telangana's investor friendly ecosystem and infrastructure strength
- Remarked that *"When we weave our own fabric, we weave our own destiny"*

❖ **Special Address: Shri Tummala Nageswara Rao, Hon'ble Textile Minister Telangana:**

- Highlighted the government's commitment to strengthening the entire textile value chain

❖ **Inaugural Address (Host): Shri D Sridhar Babu, Hon'ble Minister Industries & Commerce, IT, E&C:**

- Emphasized the role of technology and innovation in textile growth
- Stated the vision to integrate textile heritage with the "infinite potential of the chip"

Special Address by Shri Tummala Nageswara Rao, Hon'ble Textile Minister Telangana

Mr. Ashwin Chandran, Chairman, CITI, in his welcome address at ATEXCON 2026, highlighted the significance of the 13th Asian Textile Conference as a global platform for collaboration, innovation, and thought leadership in the textile sector. He expressed appreciation to the Government of Telangana for supporting the event and emphasized that the industry is undergoing major transformation driven by geopolitical shifts, sustainability requirements, technological advancements, and changing consumer expectations. Referring to the theme "Reimagining the Future of Global Textiles," he stressed the need for new approaches in production, sourcing, innovation, and partnerships. He highlighted that ATEXCON brings together key stakeholders across the value chain to discuss future fibres, smart manufacturing, digitalization, circularity, resilient supply chains, and evolving trade frameworks. Mr. Chandran underscored India's potential to emerge as a trusted and sustainable global textile hub and reaffirmed CITI's commitment to working with governments, industry, and global partners to drive inclusive growth and shape the future of the textile industry.

❖ **Delivering the Welcome Address - Shri Ashwin Chandran, Chairman CITI:**

Shri Ashwin Chandran, Chairman, CITI giving Welcome Address

❖ **Special Address: "From Policy to Scale: Accelerating India's Textile Growth in a Rewired Global Value Chain" - Dr. M Beena IAS, Development Commissioner of Handlooms, Ministry of Textiles**

- Noted strong policy support for textiles in the Union Budget
- India's vision to scale textile and apparel exports to USD 100 billion by 2030 was emphasized as a key national objective

Dr. M Beena IAS, Development Commissioner of Handlooms, Ministry of Textiles delivering Special Address

❖ **The theme presentation by Ms. Chandrima Chatterjee, Secretary General, CITI at ATEXCON 2026 highlighted**

- A structural shift in the global textile industry toward resilience, innovation, and sustainability driven growth. The global textile and apparel market, valued at approximately USD 896 billion (2024), is projected to grow at ~1.6–2 % CAGR, with demand primarily driven by Asia, supported by a global population exceeding 8 billion and rising per capita consumption.

- A key transformation is visible in fibre consumption, with man made fibers accounting for ~69 % of global usage, while total fibre consumption has expanded from ~30 million tons (1970) to ~130 million tons (2024) and is expected to reach ~150 million tons by 2035. This shift reflects growing demand for performance, technical, and scalable textile solutions.

- Sustainability has become a license to operate, driven by global regulations such as the EU Green Deal, Digital Product Passport, and CBAM, alongside industry commitments toward net zero by 2050. Simultaneously, digitalization is redefining competitiveness, with a clear shift from cost driven models to intelligence, speed, and adaptability, enabled by AI, automation, and smart manufacturing.

- Asia continues to dominate the industry, contributing approximately 64 % of global textile and apparel exports, but faces challenges including rising costs, labour shifts, trade uncertainties, and technology gaps.

- The presentation emphasized that volatility is the new normal, and future success will depend on resilient supply chains, digital transformation, sustainability integration, and value added manufacturing. It established a clear roadmap for positioning Asia, and particularly India, at the forefront of the next phase of global textile growth.

Overall, the inaugural session emphasized the need for innovation led growth, with a stronger focus on sustainability and technology as key drivers of future competitiveness. It highlighted the importance of collaboration across the entire textile value chain, bringing together government, industry, and global stakeholders, while reinforcing a shared commitment to strengthening Asia's role in the global textile industry.

Opening Plenary: Re imagining the Future of Global Textiles

Dr. Christian Schindler, Director General, ITMF; Mr. Dirk Vantyghem, Director General, EURATEX; Mr. Shaleen Toshniwal, Chairman, MATEXIL; Mr. JaeYong Park, President, Youngone Corporation; Mr. Bui Trung Thuong, Trade Counsellor, Trade Office, Embassy of Vietnam; and Mr. Ian Sharif, Vice Chairman, Indonesian Textile Association – API; during the Session

The Opening Plenary session of ATEXCON 2026, moderated by **Dr. Christian Schindler, Director General, ITMF**, brought together global textile industry leaders including **Mr. Dirk Vantyghem, Director General, EURATEX; Mr. Shaleen Toshniwal, Chairman, MATEXIL; Mr. JaeYong Park, President, Youngone Corporation; Mr. Bui Trung Thuong, Trade Counsellor, Trade Office, Embassy of Vietnam; and Mr. Ian Sharif, Vice Chairman, Indonesian Textile Association – API;** to discuss the future direction of the global textile industry.

The session highlighted the need for a fundamental shift in textile business strategies amid geopolitical uncertainties, supply chain disruptions, sustainability requirements, and changing consumer expectations. The panel emphasized that the traditional cost-driven competitiveness model is evolving towards a capability-based approach focused on **agility, resilience, innovation, and sustainability**.

Mr. JaeYong Park highlighted that future competitiveness will depend on speed-to-market, flexible manufacturing systems, and resilient supply chains rather than only cost and scale. The discussion also emphasized the importance of strategic manufacturing locations and the ability to respond quickly to market changes.

Mr. Dirk Vantyghem highlighted Europe's focus on supply chain diversification, stronger trade partnerships, Free Trade Agreements, and resilient sourcing models. He noted that sustainability, transparency, recyclability, and compliance with evolving regulations will increasingly determine global market access.

Sharing country perspectives, Mr. Bui Trung Thuong highlighted Vietnam's transformation from a cost-based manufacturing hub to a value-driven textile economy through upstream integration, sustainability initiatives, and global partnerships. Mr. Ian Sharif highlighted Indonesia's strengths in integrated textile manufacturing, particularly in man-made fibres, and emphasized the importance of domestic supply chains, renewable energy adoption, and policy support.

From the Indian industry perspective, Mr. Shaleen Toshniwal emphasized the need for collaboration, technology partnerships, Free Trade Agreements, and investments in man-made fibres, integrated textile parks, and innovation-led manufacturing to strengthen India's position in global value chains.

The panel collectively agreed that the future of textiles will be shaped by companies that can combine **innovation, sustainability, resilience, and operational flexibility**. The discussion highlighted the need to move beyond commoditisation and position textiles as a high-value industry driven by quality, technology, craftsmanship, and responsible production.

The session concluded with a shared vision that the next phase of global textiles will be defined by diversified supply chains, sustainable practices, digital transformation, and stronger international collaboration, presenting significant opportunities for countries like India to enhance their role in the global textile ecosystem.

Elephants vs Cheetahs — Who Wins the Brand Race?

(Scale, speed, and the future of brands)

The session by **Mr. Harish Bijoor, Founder, Harish Bijoor Consultants**, explored the future of textile businesses in a rapidly changing global environment. Using the analogy of **“Elephants” (scale-driven, traditional businesses)** and

Mr. Harish Bijoor, Founder, Harish Bijoor Consultants during the Session

“Cheetahs” (agile, innovation-led enterprises), he highlighted the need for companies to balance scale with speed, adaptability, and consumer-centric thinking. He emphasized that competitiveness in the future will depend not only on manufacturing strength but also on innovation, branding, digital transformation, sustainability, and the ability to respond quickly to changing market needs.

Mr. Bijoor highlighted the importance of reinvention, encouraging businesses to move beyond volume-led models and embrace purpose-driven branding, niche opportunities, authentic storytelling, and India's heritage advantage. He stressed that the future winners will be those who combine the stability of “Elephants” with the agility of “Cheetahs” to build resilient, globally relevant textile brands.

India's Living Textile Legacy; Creating Luxury Brands in Contemporary India

The session highlighted the potential of India's rich textile heritage to become a foundation for globally competitive luxury brands through craftsmanship, cultural storytelling, and sustainable practices. Featuring the work of **Gaurang Shah, renowned designer and textile expert** as a case study, the discussion showcased how traditional techniques such as handloom weaving, natural dyes, and artisanal skills can be transformed into contemporary luxury products. The session emphasized that Indian luxury is defined by authenticity, heritage, artistic expression, and slow fashion, offering a unique alternative to mass-produced global models. It also highlighted the need for stronger branding, design innovation, and market positioning to overcome challenges such as artisan sustainability and global visibility. The discussion concluded that by combining tradition with innovation and heritage with modern storytelling, India can create distinctive textile brands with global appeal.

Gaurang Shah, renowned designer and textile expert

Panel Discussion: Stop Choosing Sides — What Will Actually Win

(Cotton, MMF, Blends, and the Reality of Scale)

The panel discussion, chaired by **Mr. T. Rajkumar, Chairman, Sri Mahasakthi Group** and moderated by **Dr. Nandan Kumar, Vice Chairman, ITTA, HPT)**, brought together industry experts including **Dr. Anjani Prasad, Vice President, South Asia, Archroma; Dr. Siddhartha Rajagopal ED, TEXPROCIL; Mr. Munish Hinduja, Owner, Gokaldas Images; and Mr. Yash Sharma, Director, Go-Rewise, Ganesha Ecosphere** to deliberate on the evolving global fibre landscape. The panel highlighted that the future of textiles will not be determined by choosing between cotton and man-made fibres (MMF), but by developing a balanced, innovation-driven fibre ecosystem focused on performance, sustainability, and market needs. The discussion emphasized the growing role of MMF, continued relevance of cotton, and increasing importance of blends to deliver comfort, functionality, and scalability. Speakers highlighted the need for India to invest in advanced materials, recycling technologies, sustainable processing, and value-added textile segments while moving from a commodity-driven approach towards application-led innovation. The session concluded that competitiveness will depend on integrating diverse fibres, strengthening supply chains, and leveraging technology to create resilient and sustainable textile solutions.

A key theme emphasized by the chair, Mr. T. Rajkumar, was that the future of textiles will not be defined by ideological preferences for specific fibres, but by their ability to deliver performance, scalability, affordability, and sustainability simultaneously. He highlighted that Asia, accounting for a dominant share of global fibre production and textile exports, will play a central role in shaping this future.

Building on this perspective, Dr. Nandan Kumar reinforced that the industry must shift its focus from fibre selection to value creation through innovation and functional integration. He illustrated how even small additions of functional materials or fibres can significantly enhance product performance, opening new opportunities in technical textiles, defence applications, and high-value segments. This marked a clear shift from commodity-driven thinking to performance-driven product development.

Mr. T. Rajkumar, Chairman, Sri Mahasakthi Group;Dr. Nandan Kumar, Vice Chairman, ITTA, HPT), Dr. Anjani Prasad, Vice President, South Asia, Archroma; Dr. Siddhartha Rajagopal ED, TEXPROCIL; Mr. Munish Hinduja, Owner, Gokaldas Images; and Mr. Yash Sharma, Director, Go-Rewise, Ganesha Ecosphere

From a trade and policy perspective, Dr. Siddhartha Rajagopal emphasized that cotton will continue to remain relevant due to its natural advantages, including comfort, biodegradability, and strong consumer acceptance.

From an innovation and materials perspective, Mr. Yash Sharma highlighted the rapid advancements in recycled polyester and its growing role in sustainability narratives. He emphasized that future progress will depend on advancements in chemical recycling and supportive policy frameworks to enable large-scale adoption.

Mr. Anjani Prasad provided a critical perspective on the challenges and opportunities associated with fibre innovation, particularly from a processing and sustainability standpoint. He also stressed the importance of moving beyond commodity products toward functional and high-performance textiles, where value addition can drive competitiveness, particularly in segments such as activewear and technical textiles.

From a manufacturing and business perspective, Mr. Munish Hinduja highlighted the increasing uncertainty in global markets, driven by factors such as raw material volatility, energy prices, and geopolitical shifts. He noted that both cotton and MMF face structural challenges—cotton due to agricultural constraints and MMF due to dependence on fossil fuels.

Panel Discussion: The Factory You Would Build Today (If You Could Start Over)

(Automation, AI, and smart manufacturing)

The panel discussion, moderated by **Mr. Suryadeb Mukherjee, Principal Consultant, Gherzi**, with participation from **Mr. Ketan Sanghvi, Chairman, India ITME Society, Dr. Prabir Jana, Industry 4.0 Expert, Mr. Prasanta Deka, MD, Rieter India, Mr. S. Rajasekaran, President, LMW; and Mr. Gautam Ganeriwal, Chairman, CITI Young Entrepreneurs Group**, explored the future of textile manufacturing through automation, artificial intelligence, and smart factory concepts.

The panel highlighted that the textile industry is moving from traditional cost and scale-driven models towards **data-driven, flexible, and intelligent manufacturing systems**. Mr. Ketan Sanghvi emphasized the importance of real-time data infrastructure as the foundation for successful automation and AI adoption, while Dr. Prabir Jana highlighted AI's growing role in areas such as defect detection and predictive maintenance, driven by reliable data availability.

Mr. Suryadeb Mukherjee, Principal Consultant, Gherzi; Mr. Ketan Sanghvi, Chairman, India ITME Society, Dr. Prabir Jana, Industry 4.0 Expert, Mr. Prasanta Deka, MD, Rieter India, Mr. S. Rajasekaran, President, LMW; and Mr. Gautam Ganeriwal, Chairman, CITI Young Entrepreneurs Group

Mr. Prasanta Deka emphasized the need for factories of the future to focus on integration, adaptability, and digitalization, while Mr. S. Rajasekaran highlighted that Indian mills require a phased approach to modernization through incremental automation and digital monitoring due to existing infrastructure challenges. Mr. Gautam Ganeriwal stressed that flexibility and adaptability will be key competitive advantages for future businesses.

The discussion also explored emerging technologies including operator-less systems, robotics, and the evolution towards smart and "dark" factories. The panel concluded that the future of textile manufacturing will depend on the effective integration of **automation, AI, data analytics, sustainability, and operational flexibility**, supported by a strategic shift in the industry's approach towards innovation and continuous transformation.

Panel Discussion: Circularity: Vision, Obligation, or Business Opportunity?

(Recycling, waste, and post-consumer responsibility)

The panel discussion on circularity, moderated by **Ms. Anjali Krishnan, Director-Cotton, IDH;** with participation from **Mr. Prasad Pant, South Asia Director and Competence Centres Director, ZDHC; Ms. Astha Kubele, Associate, India at Fashion for Good; Mr. Vijaya Krishnappa, Co-Founder, Kosha; Mr. N. Thirukkumaran, Secretary, Tiruppur Exporters' Association – TEA; Mr. R. Sabhari Girish, Chief Sustainability Officer, Sulochana Cotton Spinning Mills; Mr. Sundar Senthilnathan, Global Head of Public Affairs - Social Policy and Regulations, H&M; and Mr. Prasanth Nandakumar, Stakeholder Engagement Manager- APAC, Cascale;** explored the growing importance of circularity as a strategic priority for the textile industry.

The panel highlighted that circularity is evolving beyond a sustainability ambition into a regulatory requirement and a business opportunity, driven by global regulations, resource constraints, and changing consumer expectations. Discussions focused on the impact of emerging frameworks such as Digital Product Passports, eco-design requirements, and recyclability standards, which are reshaping global textile supply chains and increasing the need for transparency, traceability, and responsible production.

Speakers emphasized that successful circularity requires collaboration across the entire value chain, supported by chemical management, digital traceability, recycling technologies, and sustainable manufacturing practices. Challenges related to post-

Ms. Anjali Krishnan, Director-Cotton, IDH; with participation from Mr. Prasad Pant, South Asia Director and Competence Centres Director, ZDHC; Ms. Astha Kubele, Associate, India at Fashion for Good; Mr. Vijaya Krishnappa, Co-Founder, Kosha; Mr. N. Thirukkumaran, Secretary, Tiruppur Exporters' Association – TEA; Mr. R. Sabhari Girish, Chief Sustainability Officer, Sulochana Cotton Spinning Mills; Mr. Sundar Senthilnathan, Global Head of Public Affairs - Social Policy and Regulations, H&M; and Mr. Prasanth Nandakumar, Stakeholder Engagement Manager- APAC, Cascale

consumer textile waste, collection systems, recycling infrastructure, and MSME readiness were highlighted, along with the need for investment in fibre-to-fibre recycling and innovative solutions.

The panel also discussed the role of brands, manufacturers, and consumers in driving circular models, with emphasis on designing products for durability, recyclability, and reduced resource consumption. The session concluded that circularity presents a significant opportunity for India to strengthen its global competitiveness by building sustainable, transparent, and future-ready textile value chains.

In his concluding remarks, Mr. Nikhil Chakravarthi J, IAAS, Director of Industries, Government of Telangana, emphasized that effective execution of policies is critical for industrial growth, with governance focused on speed, transparency, accountability, and investor partnership. He highlighted Telangana's textile strategy built around integrated value chains, infrastructure development, skilled workforce, and targeted incentives. He noted that investments by leading companies such as Kitex, Shahi Exports, and Gokaldas Images reflect industry confidence in the state. He concluded that sustainable growth depends on translating policies into ground-level outcomes through investments, employment generation, and stronger industrial ecosystems.

Mr. K. Shashanka, IAS, VC & MD, Telangana Industrial Infrastructure Corporation (TGIIC), highlighted that the global textile industry is at a transformation stage driven by supply chain shifts, sustainability requirements, and the need for scale, speed, and reliability. He positioned Telangana as a future-ready textile destination with a focus on infrastructure, execution, and ecosystem development, highlighting the **PM MITRA Mega Textile Park** as a key initiative offering integrated value chains, plug-and-play infrastructure, and logistics advantages. He emphasized Telangana's strengths in ease of doing business, connectivity, skilled workforce, and institutional support, noting that future competitiveness will be driven by technology, sustainability, innovation, and strong industrial ecosystems.

Mr. Dinesh Nolkha, Deputy Chairman, CITI & CMD, Nitin Spinners delivering the concluding remarks

Shri Dinesh Nolkha, Deputy Chairman, giving the Concluding remarks

Focused Sessions – Telangana Textile Dialogue held alongside ATEXCON 2026

The Telangana Textile Dialogue featured a series of focused discussions addressing key priorities for the future growth and competitiveness of the textile sector. The sessions covered critical themes including **circular textile systems, green finance for textile and apparel suppliers, PM MITRA 2.0 and the future of integrated textile parks, clean and sustainable supply chains, and skill development through the National Apprenticeship Promotion Scheme (NAPS).** Discussions also focused on building a future-ready fibre economy through cotton and fibre strategies, promoting natural dyes and sustainable processing, and strengthening India's apparel export competitiveness through scale, speed, and strategic growth. The dialogues highlighted the need for sustainable practices, technology adoption, policy support, skilled workforce development, efficient logistics, and globally competitive supply chains to position Telangana and India as leading destinations in the global textile value chain.

In conclusion, ATEXCON 2026 reinforced that the future of the textile industry will be shaped by those who are willing to rethink, reinvent, and realign their business models in response to a rapidly evolving global landscape. The path forward lies not only in adopting new technologies or complying with regulations, but in fundamentally transforming how the industry creates value. Organizations that can combine agility with scale, purpose with profitability, and innovation with sustainability will be best positioned to lead in this new era.

DR. S.N. MODANI HONOURED WITH GLOBAL TEXTILE LEADERSHIP AWARD

at Telangana Textile Dialogue conınciding with ATEXCON 2026

Dr S. N. Modani, Chairman of the Rajasthan Textile Mills Association (RTMA) and Vice Chairman of Sangam (India) Ltd, has been conferred with the Global Textile Leadership Lifetime Achievement Award 2026 at the 13th Asian Textile Conference (ATEXCON 2026).

The award ceremony was held on April 2, 2026, at Novotel Convention Centre, in the presence of Anumula Revanth Reddy. The honour was presented by Telangana ministers Shri T. Nageswara Rao and Shri D. Sridhar Babu, along with Chief Secretary Shri K. Ramakrishna Rao.

The award, presented by the Confederation of Indian Textile Industry, recognises Dr. Modani's longstanding contributions to the growth, innovation and transformation of India's textile sector. In his leadership roles, he has played a key part in strengthening the textile ecosystem and enhancing the global positioning of Indian textiles.

During the conference, Dr. Modani also participated in a panel discussion titled “The Old Playbook Is Broken: Re-imagining Global Textiles in a Volatile World,” addressing the need for new strategies in a rapidly evolving global landscape.

Organised by CITI in collaboration with the Government of Telangana, ATEXCON 2026 brought together industry leaders and stakeholders from across the global textile and apparel value chain to discuss innovation, sustainability and future-ready growth strategies.

FELICITATING TEXTILE VISIONARIES:

GLOBAL LIFETIME ACHIEVEMENT AWARDS & TELANGANA TEXTILE EXCELLENCE AWARDS

COINCIDING WITH 13th ATEXCON IN HYDERABAD

Mr. Kihak Sung, Chairman, Youngone Corporation receiving the Global Textile Leadership Lifetime Achievement Award.Award presented by Shri D Sridhar Babu, Hon'ble Minister Industries & Commerce, IT, E&C and Shri Tummala Nageswara Rao, Hon'ble Textile Minister Telangana In the presence of Smt. Shailaja Rama Iyer IAS, Prl. Secretary Dept Handlooms & Textiles, GoTG and Shri K. Ramakrishna Rao, IAS, Chief Secretary, Telangana

- Global Textile Leadership Lifetime Achievement Award to Mr. Kihak Sung, Chairman, Youngone Corporation
- Distinguished Policy Leadership Award to Shri Rohit Kansal, IAS, Additional Secretary, Ministry of Textiles, Government of Telangana
- Global Textile Leadership Lifetime Achievement Award to Dr. S. N. Modani, Vice Chairman, Sangam India; Chairman, Rajasthan Textile Mills Association
- Regenerative & Circular Textiles Leadership Award to Malkha Commons
- Excellence in Integrated Apparel Manufacturing Award to Kitex Group
- Global Textile Leadership Lifetime Achievement Award to Padma Shree Rajinder Gupta, Member of Parliament, Founder and Chairman Emeritus, Trident Group
- Global Leadership in Circular Textiles Award to Ganesha Ecosphere
- Global Textile Leadership Lifetime Achievement Award to Mr. Ashroff Omar, Group Chief Executive Officer, Brandix Lanka Limited
- Excellence in Sustainable Apparel Manufacturing Award to Texport Industries Pvt. Ltd.
- Global Textile Leadership Lifetime Achievement Award to Mr. Harish Ahuja, Chairman & Managing Director, Shahi Exports
- Leadership in Apparel Innovation & Brand Development Award to Gokaldas Images Pvt. Ltd.
- Excellence in Textile Heritage & Revival Award to Mr. Gaurang Shah, Founder & Director, Gaurang
- Lifetime Achievement Award – Leadership in Textile Skills & Employment Ecosystems to Mr. R.C.M. Reddy, Chief Executive Officer & Managing Director, Schoolnet India Ltd.
- Emerging Activewear Brand Award to Cult Sports

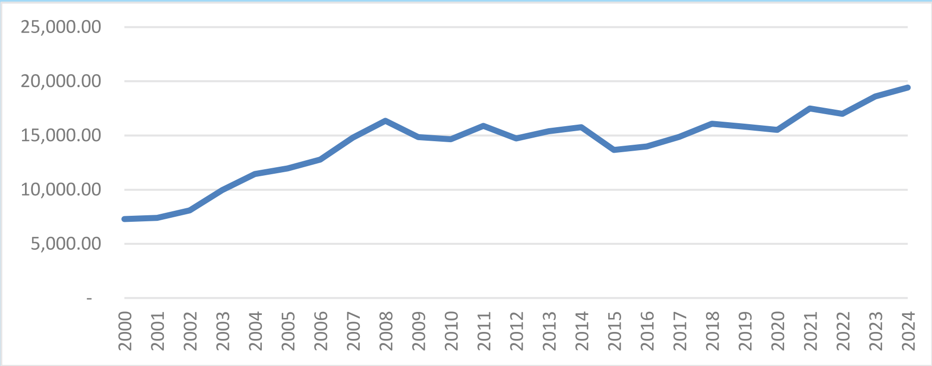
Market Watch

EUROPEAN UNION

With a GDP of about US$ 19.4 trillion in 2024, the European Union (EU) is among the largest economic blocs in the world, collectively representing one of the most significant centers of global economic activity. The EU is a high-income, advanced market economy characterized by strong industrial capabilities, a highly developed services sector, and significant technological innovation. Major sectors include manufacturing, automotive, machinery, chemicals, financial services, and advanced technology industries.

Supported by a highly skilled workforce, strong institutional frameworks, and advanced infrastructure, the EU continues to remain a key driver of global economic growth and international trade. The region is also a major importer of textiles and apparel, making it an important export destination for textile-producing countries.

GDP (Current US$) of EU (US$ Billion)

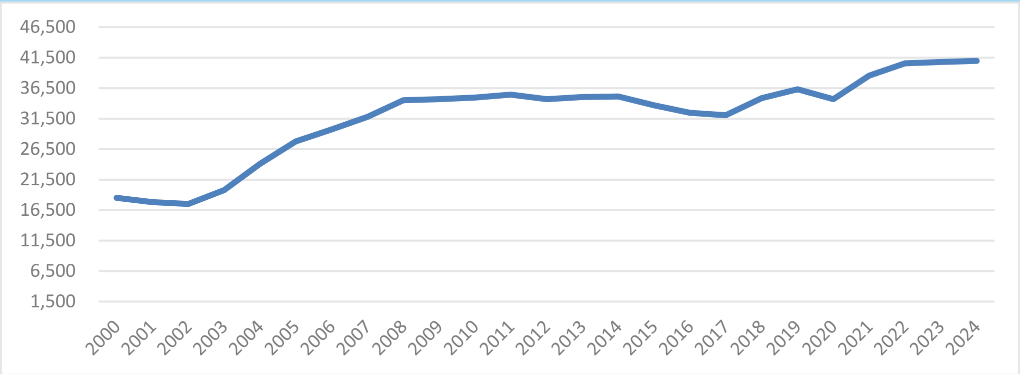


Source: World Bank and CITI Analysis

The Gross National Income (GNI) per capita of the European Union has remained consistently high, reaching approximately US$ 41,000 in 2024, reflecting the region's strong economic fundamentals and high standards of living. The EU is classified as a high-income economic region, supported by diversified industrial production, strong services sectors, and robust consumer markets.

With high purchasing power, mature retail markets, and strong demand for sustainable and high-quality products, the EU represents one of the most attractive markets globally for textile and apparel exports, particularly for value-added, sustainable, and certified textile products.

Gross National Income (GNI) Per Capita, of EU (US$)



Source: World Bank and CITI Analysis/ GNI is as per the Atlas method (Current US$)

Overview of the Global Textile & Apparel Trade of EU

The EU is a net importer of Textile & Apparel (T&A) products. In 2024, the region exported T&A commodities worth about US$ 221.25 billion, while its imports stood at US$ 268.5 billion, resulting in a trade deficit of about US$ 47.25 billion.

Over the last five years, EU exports of T&A products have grown at a CAGR of 4.75%, while imports have recorded a CAGR of 2.06% during the same period.

Total Textile & Apparel (T&A) Trade of EU (US$ Bn)

Year	Exports	Imports	Trade Balance
2020	183.79	247.44	-63.65
2021	218.29	265.26	-46.97
2022	223.80	288.92	-65.13
2023	223.76	265.63	-41.87
2024	221.25	268.50	-47.25
CAGR	4.75%	2.06%	

Source: ITC Trade Map & CITI Analysis

Category-wise analysis shows that apparel accounted for the largest share in EU's T&A imports, representing about 70.7% of total imports in 2024, highlighting the EU's strong dependence on external suppliers for apparel products.

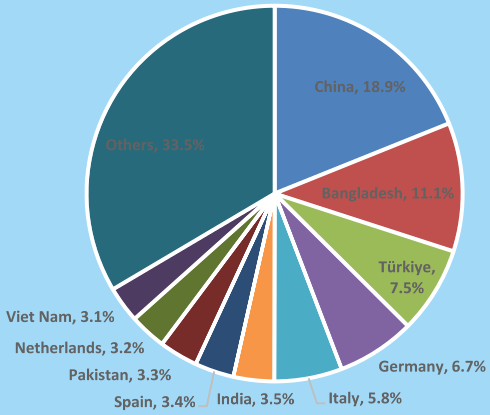
Category Wise Imports of T&A by EU (US$ Bn)

Row Labels	2020	2021	2022	2023	2024	Share 2024
Fibre	5.38	6.85	7.68	7.06	6.65	2.5%
Filament	4.55	6.17	6.43	5.92	5.61	2.1%
Yarn	3.61	5.03	5.48	4.69	4.29	1.6%
Fabric	20.68	24.17	25.50	23.44	22.16	8.3%
Apparel	154.55	178.38	200.67	186.36	189.75	70.7%
Home Textiles	13.30	16.54	16.60	14.99	15.40	5.7%
Others	45.36	28.12	26.57	23.18	24.64	9.2%
Total T&A	247.44	265.26	288.92	265.63	268.50	100.0%

Source: ITC Trade Map & CITI Analysis

Country wise analysis shows that China was the leading supplier of T&A commodities to EU and had a share of about 18.9% in EU's total T&A imports from the world during 2024 followed by Bangladesh and Turkiye with a share of about 11.1% and 7.5% respectively. The top 10 countries accounted for about 66.5% of EU's total T&A imports from the World during 2024.

Major suppliers and their share in EU's T&A imports in 2024



Source: ITC trade map and CITI Analysis
Data is available till 2021 only

Detailed analysis of EU's imports shows that the top 10 T&A commodities accounted for about 54.7% of its total T&A imports from the world in 2024. Within this basket, HSN 6204 (Women's or girls' suits, ensembles, jackets, dresses, skirts, trousers, etc.) remained the single largest import category, contributing 10.5% of total imports, and had a CAGR of 7.1% during 2020-2024.

Notably, among the top 10 imported commodities HSN 6110 (Jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted) and HSN 6115 (Pantyhose, tights, stockings, socks and other hosiery, incl. graduated compression hosiery, etc.) registered strong growth with a CAGR of 7.8% and 7.1% respectively during 2020-2024 and were amongst the fastest-growing categories thereby reflecting increasing consumer and industrial demand for home textiles and synthetic-based products.

Top 10 T&A Commodities imported by EU (US$ Bn)

HS Code	Product label	2020	2021	2022	2023	2024	CAGR	Share 2024 in total T&A
6204	Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, etc	21.1	24.8	27.9	27.1	27.8	7.1%	10.5%
6109	T-shirts, singlets and other vests, knitted or crocheted	16.3	18.6	20.8	19.6	20.7	6.3%	7.9%
6203	Men's or boys' suits, ensembles, jackets, blazers, trousers, bib and brace overalls, breeches, etc.	15.7	17.3	20.1	19.7	19.7	5.8%	7.5%
6104	Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, etc.	11.4	14.4	16.0	13.7	14.1	5.4%	5.3%
6202	Women's or girls' overcoats, car coats, capes, cloaks, anoraks, incl. ski jackets, windcheaters, etc.	8.2	9.5	11.1	10.0	10.1	5.2%	3.8%
6201	Men's or boys' overcoats, car coats, capes, cloaks, anoraks, incl. ski jackets, windcheaters, etc	5.8	6.6	7.8	7.3	7.0	4.7%	2.7%
6302	Bedlinen, table linen, toilet linen and kitchen linen of all types of textile materials	5.9	7.3	7.7	6.7	7.0	4.1%	2.6%
5603	Nonwovens, whether or not impregnated, coated, covered or laminated, n.e.s.	5.8	6.9	6.6	6.1	6.2	1.6%	2.3%
6115	Pantyhose, tights, stockings, socks and other hosiery, incl. graduated compression hosiery, etc.	4.6	5.5	6.1	5.7	6.1	7.1%	2.3%

Source: ITC Trade Map & CITI Analysis

Textile & Apparel Trade Between India and EU

India is one of the major suppliers of T&A products to EU. During 2024, EU imported T&A products worth US$ 9.3 bn which has grown at a CAGR of 6.4% during 2020-2024.

During the above time frame, exports of fabric have shown the maximum growth followed by filaments.

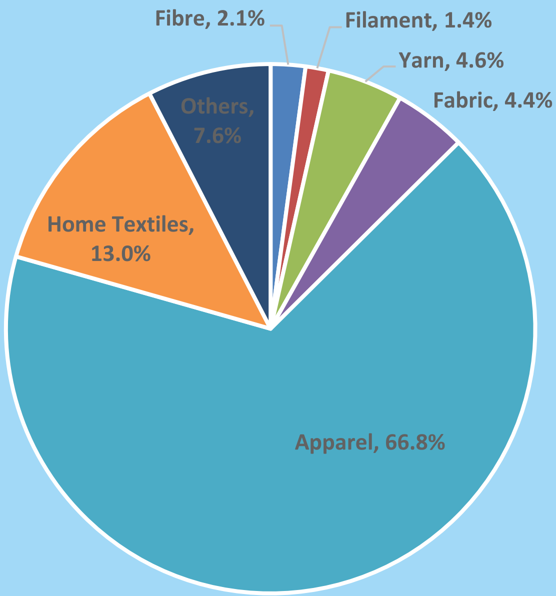
India's exports of T&A products to EU (US$ Mn)

Row Labels	2020	2021	2022	2023	2024	CAGR
Fibre	208.5	258.3	318.8	246.8	197.9	-1.3%
Filament	83.3	166.4	168.2	116.5	130.9	12.0%
Yarn	386.0	507.0	617.6	516.2	432.0	2.9%
Fabric	257.6	355.6	425.9	403.0	414.8	12.6%
Apparel	4,854.6	5,653.3	6,634.7	6,081.2	6,247.4	6.5%
Home Textiles	950.2	1,328.6	1,349.1	1,100.1	1,217.9	6.4%
Others	552.2	876.8	857.9	684.3	707.7	6.4%
Total T&A	7,292.3	9,146.0	10,372.2	9,148.1	9,348.5	6.4%

Source: ITC Trade Map & CITI Analysis

Category-wise analysis shows that apparel was the largest imported T&A commodity by EU from India which accounted for about 66.8%% of total T&A imports by EU from India. It was followed by Home Textiles and Others with 13% and 7.6% share respectively.

Category Wise Share of Exports of T&A from India to EU



Source: ITC Trade Map & CITI Analysis

The top 10 commodities imported by EU from India accounted for about 62.7% of EU's total T&A imports from India in 2024. HSN 6204 (Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, etc.) was the largest imported T&A category by EU from India which accounted for about 13.7%% of EU's total T&A imports from India.

Top 10 T&A commodities Imported by EU from India (US$ Mn)

HS Code	Commodity	2020	2021	2022	2023	2024	CAGR	Share 2024
6204	Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, etc	944.24	1,117.11	1,356.73	1,372.78	1,280.79	7.92%	13.70%
6109	T-shirts, singlets and other vests, knitted or crocheted	802.10	903.63	1,040.08	867.77	925.95	3.65%	9.90%
6206	Women's or girls' blouses, shirts and shirt-blouses (excl. knitted or crocheted and vests)	497.47	542.35	624.52	599.27	690.80	8.55%	7.39%
6305	Sacks and bags, of a kind used for the packing of goods, of all types of textile materials	416.38	682.77	658.62	494.57	534.33	6.43%	5.72%
6302	Bedlinen, table linen, toilet linen and kitchen linen of all types of textile materials.	384.01	506.85	529.76	438.66	488.91	6.22%	5.23%
6104	Women's or girls' suits, ensembles, jackets,	357.38	451.80	521.15	439.16	442.78	5.50%	4.74%
	blazers, dresses, skirts, divided skirts, trousers, etc							
6110	Jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted	266.71	373.29	465.84	407.17	424.75	12.34%	4.54%
6205	Men's or boys' shirts (excl. knitted or crocheted, nightshirts, singlets and other vests)	236.18	242.64	297.20	351.75	401.20	14.16%	4.29%
6203	Men's or boys' suits, ensembles, jackets, blazers, trousers, bib and brace overalls, breeches, etc	298.78	328.17	377.38	379.44	362.20	4.93%	3.87%
6111	Babies' garments and clothing accessories, knitted or crocheted (excl. hats)	260.06	294.78	338.28	270.43	311.74	4.64%	3.33%

Source: ITC Trade Map & CITI Analysis

WAY FORWARD:

The recent conclusion of the India–EU Comprehensive Free Trade Agreement (FTA) marks a significant milestone for the Indian textile and apparel (T&A) industry. EU is already the second-largest export destination for India's T&A products, and the FTA is expected to unlock substantial opportunities by improving market access and reducing tariff disadvantages that Indian exporters have long faced compared with competitors such as Bangladesh, Vietnam, etc.

The FTA will open pathways for exports of high demand categories like:

- Knitted cotton T-shirts,
- Flexible Intermediate Bulk Containers (FIBCs),
- Cotton-based apparel for men, women, and children, etc.

India already possesses strong manufacturing capabilities and well-established supply chains in these categories. Improved market access could enable Indian exporters to scale up production, strengthen buyer relationships, and expand their share in EU retail markets.

The EU also presents a significant opportunity for segments aligned with India's Production Linked Incentive (PLI) scheme, particularly man-made fibre (MMF) apparel, MMF fabrics, and select technical textiles. These segments have historically seen lower export penetration from India due to cost disadvantages and tariff barriers. The upcoming FTA with the EU, once implemented will help improve competitiveness in these product categories, encourage investment, and scaling up of production for these categories.

Furthermore, the strategic relevance of the EU market has also increased in the context of recent tariff-related disruptions and trade policy uncertainties in the United States since August 2025. These developments have highlighted the need for market diversification for Indian exporters. In this scenario, the India–EU FTA serves as an important strategic lever, providing duty parity with competing supplier nations and offering a large, stable, and predictable market for long-term export growth.

Going forward, Indian exporters and policymakers must work collaboratively to leverage the full potential of the agreement. This will require strengthening compliance with EU sustainability standards, traceability requirements, and circular economy norms, while also investing in product diversification and technological upgrades.

With the right policy support and industry preparedness, the India can achieve significant growth in EU's T&A market.

CITI ANALYSIS OF EXPORTS AND IMPORTS OF T&A FOR MAY 2026

- During May'26, Indian Textiles exports registered a growth of 2.47% over the previous year while Apparel exports registered a significant degrowth of -14.17% during the same time period.
- Cumulative Exports of Textiles and Apparel during May'26 have registered a degrowth of -5.40% over May'25.
- During Apr-May'26, Indian Textiles exports registered a growth of 3.03% over the previous year while Apparel exports registered a degrowth of -12.98% during the same time.
- Cumulative Exports of Textiles and Apparel during Apr-May'26 registered a degrowth of -4.44% as compared to Apr-May'25.

Monthly Export Updates of Textile and Clothing (Value in USD Mn.)

Export category	May-25	May-26	% Change	Apr-May'25	Apr-May'26	% Change
Cotton Yarn/Fabs./made-ups, Handloom Products etc.	966.68	984.93	1.89%	1,929.61	1,953.42	1.23%
Man-made Yarn/Fabs./made-ups etc.	409.60	402.66	-1.69%	793.39	795.44	0.26%
Jute Mfg. including Floor Covering	31.58	29.03	-8.07%	59.93	57.25	-4.47%
Carpet	132.05	130.2	-1.40%	246.92	256.36	3.82%
Handicrafts excl. handmade carpet	145.44	180.13	23.85%	268.03	335.23	25.07%
Sub-Total Textiles	**1,685.35**	**1,726.95**	**2.47%**	**3,297.88**	**3,397.70**	**3.03%**
Apparel	**1,511.44**	**1,297.23**	**-14.17%**	**2,882.78**	**2,508.70**	**-12.98%**
Textile and Clothing	**3,196.79**	**3,024.18**	**-5.40%**	**6,180.66**	**5,906.40**	**-4.44%**
All Commodity	38,303.59	45,196.55	18.00%	76,587.36	88,909.14	16.09%
% of T&C in Total Exports	8.35%	6.69%		8.07%	6.64%	

Source: Press Information Bureau

Monthly Imports Updates of Textile and Clothing (Value in USD Mn.)

Imports category	May-25	May-26	% Change	Apr-May'25	Apr-May'26	% Change
Cotton Raw & Waste	102.3	146.47	43.18%	189.18	228.05	20.55%
Textile yarn fabric, made-ups	220.62	212.51	-3.68%	413.74	391.78	-5.31%

Source: Press Information Bureau

QUICK ESTIMATES OF IIP FOR TEXTILE AND CLOTHING SECTOR (T&C): APRIL 2026

Quick Estimates - Index of Industrial Production - Textiles & Clothing

Description	Weights	Index		
		Apr-25	Apr-26	% Change
Manufacture of textiles	3.275	114.7	132.6	15.6%
Manufacture of wearing apparel	1.970	98.5	91.6	-7.0%

Source: CITI Analysis & Ministry of Statistics Planning & Implementation

- The General Index for the month of April 2026 is 4.9% percent higher as compared to the level in April 2025.
- Textiles was increased by 15.6% percent, While Wearing Apparel decreased by -7.0% percent in April 2026 over the same month previous year.

CONFEDERATION OF INDIAN TEXTILE INDUSTRY
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