# LETTER

CONFEDERATION OF INDIAN TEXTILE INDUSTRY

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## NATIONAL

### India textiles gain from China shift as brands diversify supply Chains

India's textile industry is entering a decisive growth phase as global sourcing patterns shift away from China, creating a multi-year opportunity that could reshape supply chains and consumer markets worldwide. While brokerage firm Nuvama highlights the investment case, the broader story is structural: global brands are actively diversifying manufacturing bases amid rising costs, geopolitical risks, and supply chain disruptions linked to China.

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### Reliance Brands Partners with SKIMS to Launch Global Apparel Brand in India

Reliance Brands Ltd. (RBL) has entered into an exclusive partnership with global shapewear and apparel brand SKIMS to introduce the label in India, with its first retail stores scheduled to open in Delhi and Mumbai as part of a phased expansion across physical and digital channels.

The partnership marks SKIMS' entry into the Indian market and forms part of the brand's ongoing international expansion following recent retail launches in London and Dubai.

Founded in 2019 by Kim Kardashian and Jens Grede, SKIMS offers a range of women's underwear, shapewear, loungewear and menswear, with a focus on fit, comfort and technical innovation.

Under the agreement, Reliance Brands will oversee SKIMS' operations in India across retail and e-commerce, leveraging its extensive portfolio of international fashion and lifestyle brands.

The company said the Indian market presents a significant growth opportunity, supported by increasing demand for premium global fashion labels and rising consumer preference for comfort-led and functional apparel.

Isha Ambani said the partnership aligns with the company's strategy of bringing globally recognised brands to Indian consumers.

Kim Kardashian said the brand had witnessed strong interest from Indian consumers and was looking forward to opening its first stores in the country.
Jens Grede said Reliance Brands' experience in developing international brands in India made it the ideal partner to support SKIMS' expansion plans in the country.
Established in 2007, Reliance Brands operates more than 1,855 retail doors across India and manages a portfolio of international luxury and premium brands.
SKIMS has expanded its portfolio beyond its core shapewear business into loungewear, underwear and menswear. The brand currently operates stores across the United States and Mexico, in addition to its global e-commerce business.

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**India and Russia aim to expand bilateral trade to US$100 billion by 2030.**

India and Russia are stepping up efforts to increase bilateral trade to US$100 billion by 2030, with both countries expanding cooperation across trade, energy, technology and skilled employment as part of their long-term strategic partnership, as reported by ANI, a TV BRICS partner.

Speaking in Moscow, India's Ambassador to Russia, Vinay Kumar, said the two governments remain committed to achieving the ambitious trade target agreed by their national leaders while exploring new areas of economic cooperation alongside expanding existing sectors.

"Trade is growing. We have a target set by the Prime Minister of India and the President of the Russian Federation to reach the trade of US$100 billion by 2030. And the focus is to find new areas while increasing the volume of trade in the existing areas," Kumar said.

Energy continues to be one of the strongest pillars of bilateral cooperation. Kumar confirmed that construction of additional units at the Kudankulam Nuclear Power Plant is progressing steadily, describing the project as a key element of the long-standing energy partnership between the two countries.

The ambassador also highlighted the sharp increase in the number of skilled Indian professionals working in Russia. According to official estimates, the Indian workforce has grown from approximately 10,000–15,000 workers just a few years ago to more than 100,000, reflecting expanding employment opportunities across multiple sectors.

Further progress on bilateral cooperation is expected later this year when the India–Russia Intergovernmental Commission for Trade, Economic, Scientific, Technological and Cultural Cooperation convenes to review existing initiatives, identify new priorities and advance long-term economic collaboration.

The announcement comes ahead of the 18th BRICS Summit, which India will host in New Delhi. Analysts expect trade, investment, energy security and economic cooperation among emerging economies to feature prominently on the summit agenda.

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**Adoption of IP protection, FTA utilisation crucial for exporters: Report**

Indian exporters seeking sustained growth need to adopt an integrated strategy that combines intellectual property (IP) protection, effective utilisation of free trade agreements, customs documentation, regulatory compliance, and supply chain controls, according to a report.

As Indian companies expand into overseas markets across North America, Europe, the West Asia, Africa, Southeast Asia, and Latin America, IP is no longer only a legal concern; it is increasingly a business asset that influences market access, valuation, partnerships, and long-term competitiveness.

For exporters, the most valuable assets should not be limited to factories or inventories alone, said the joint report by Trade Promotion Council of India (TPCI) and RNA Technology and IP Attorneys.

“For Indian exporters, international growth requires an integrated operating discipline in which IP protection, FTA utilisation, customs documentation, regulatory compliance, supply-chain controls, and contractual safeguards are planned together before market exposure begins,” it said.

It added that the consequences of inadequate IP planning can be severe as companies entering foreign markets without proper preparation may encounter trademark squatters, patent infringement claims, customs seizures, counterfeiting, trade secret theft, or costly rebranding exercises.

“International expansion therefore requires a proactive and structured IP strategy. Before entering a new market, businesses should identify their key intellectual assets, assess ownership and protection gaps, evaluate trademark availability, and determine filing priorities for patents, trademarks, designs, and trade secret protection,” it said.

Delays in these steps can result in missed opportunity windows and permanent loss of valuable rights, it said.

The TPCI on Thursday hosted India IP Advantage Summit 2026 here with a focus on how the country can convert its rising IP momentum into commercial advantage globally.

Mohit Singla, Chairman, TPCI said while patent filings and IP registrations have grown steadily, challenges persist in commercialisation, enforcement, and global recognition.

“Building a robust pipeline of Indian-owned patents and trademarks across AI, semiconductors, pharmaceuticals, consumer brands, and creative industries will be pivotal to securing India’s place in the global knowledge economy,” he said adding patent applications filed with the Indian Patent Office increased from 58,503 in 2020-21 to 1,43,729 in 2025-26.

Speaking at the event, Unnat Pandit, Controller General of Patents, Designs, and Trademarks (CGPDT) said a series of steps have been taken to streamline processes for filling IP applications.

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**India's big billion-dollar trade deals are done. Now comes the real test**

**Read more at:** https://m.economictimes.com/news/economy/foreign-trade/india-ftas-trade-agreements-export-growth-challenges-fta-utilisation-market-access-eu-uk-uae-australia/articleshow/132985372.cms

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**Parliamentary panel seeks early India-US bilateral trade agreement**

The Parliamentary Standing Committee on Commerce has urged the government to conclude the proposed India-United States Bilateral Trade Agreement (BTA) at the earliest while ensuring that India's interests are adequately protected.

"The proposed Bilateral Trade Agreement, without compromising Indian exporters' interests, should be concluded at the earliest so that businesses in both countries can benefit from a stable and predictable trade environment," the panel said in its report tabled in Parliament.

The committee recommended that India negotiate "complete exemption" for key export products, including generic medicines, critical minerals and smartphones, from any future US tariff increases. It also proposed that the Directorate General of Foreign Trade (DGFT) establish a special, fast-acting watch desk to track US customs audits in real time so that Indian exporters can receive immediate warnings about any new import rules.

To address non-tariff barriers, the panel asked the government to fast-track Mutual Recognition Agreements (MRAs) for professional services, pharmaceuticals and agricultural standards to prevent arbitrary technical barriers to trade (TBT) at US ports.

To prevent trade disputes from escalating, the committee proposed establishing a dedicated, fast-track bilateral institutional mechanism with US trade authorities to proactively flag, discuss and resolve trade frictions and compliance disputes before they escalate into restrictive tariff actions.

The committee also recommended setting up an institutional mechanism to routinely review currency volatility and logistics challenges to cushion MSME-led export sectors from sudden regulatory changes. It said such measures would help build a "stronger, more balanced and mutually beneficial economic partnership" between India and the US.

Noting the growing importance of services trade, the report said India's services exports to the US stood at $51.2 billion, growing at a compound annual growth rate (CAGR) of 11.58 per cent since 2020, while imports reached $47.32 billion, with a CAGR of 18.68 per cent. Bilateral services trade has more than doubled from $40.53 billion in 2014 to $98.52 billion in 2024. The committee, however, noted that India's services imports from the US are growing at a much faster rate (18.68 per cent CAGR) than its services exports (11.58 per cent CAGR).

The panel recommended that the government actively leverage global friend-shoring trends to deeply integrate Indian manufacturers into critical US supply chains, particularly in electronics, semiconductors and clean energy. Alongside this, it called for "targeted investment promotion strategies" to attract US foreign direct investment into India's manufacturing sector.

The committee called for special attention to MSMEs to enable their effective participation in exports and enhance their resilience to US tariff measures. It also recommended a "specialised market-linked incentive scheme" to help textile and gems-and-jewellery exporters diversify product designs in line with changing consumer preferences in the US.

The panel also recommended that the BTA negotiations focus on reducing tariffs on engineering goods, auto components and other automotive products. It said the removal of additional US tariffs would improve India's competitiveness and provide exporters with the necessary predictability to formulate long-term business strategies.

The committee further urged the government to resolve tariff-related issues involving steel, aluminium, copper and chemical products under the BTA. It asked the department to engage with the US to safeguard the domestic industry in relation to Section 232 tariffs and Section 301 investigations and to secure "long-term, barrier-free access" to US aluminium and copper scrap to avoid disruptions in raw material supplies for downstream industries.

The report noted that exporters continue to face uncertainty due to volatile exchange rates, commodity prices and higher US tariffs. It observed that the US tariff on Indian goods, though reduced from the peak imposed a few months ago, still stands at 18 per cent compared with the earlier rate of 3 per cent, holding that the elevated tariff regime continues to affect India's exports and the broader economy.

‘Reports on ethanol import from US baseless’

The Ministry of Commerce and Industry on Thursday said claims in the media suggesting that India intends to import large quantities of ethanol from the United States for fuel blending are "baseless and factually incorrect".

"As per the domestic policy framework, ethanol used for fuel blending under the Ethanol Blended with Petrol Programme is sourced entirely from domestic producers. There is no import of ethanol for fuel blending from the US. Further, no concessions or commitments relating to the import of ethanol for fuel blending from the US have been made in the India-US trade discussions," the department said, adding that India's fuel blending programme and ethanol procurement continue to be governed solely by India's domestic policy requirements.

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**Tariff rationalisation set to continue, more steps likely in FY28 Budget: FM**

**Read more at : https://m.economictimes.com/news/economy/foreign-trade/indias-finance-minister-announced-continued-tariff-rationalisation-and-vision-for-2047-in-fy28-budget/articleshow/133015494.cms**

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**Textile minister urges footwear industry to leverage govt initiatives, enhance innovation**

Union Minister Giriraj Singh on Thursday highlighted the growing role of technical textiles in the footwear industry and encouraged manufacturers to leverage government initiatives, including the Production Linked Incentive (PLI) Scheme, to enhance innovation, manufacturing capabilities and global competitiveness.

Speaking at the inauguration of the 10th India International Footwear Fair, the textile minister emphasised the need to expand international participation, foster technology partnerships and develop IIFF into a globally recognised platform that attracts buyers, exhibitors and investors from across the world.

He further underscored the immense growth potential of India's footwear industry, particularly in the non-leather segment, and called for greater collaboration among industry stakeholders, technology providers and government agencies.

The textile minister encouraged the sector to focus on innovation, design excellence, quality manufacturing and value addition to meet evolving global demand. Expressing confidence in India's manufacturing capabilities, he said the sector is well-positioned to create employment, boost exports and contribute significantly to India's journey towards becoming a global manufacturing hub.

The three-day India International Footwear Fair 2026, organised by the India Trade Promotion Organisation (ITPO), brings together leading footwear manufacturers, exporters, importers, buyers, technology providers and other stakeholders from India and abroad, providing a platform to showcase innovations, strengthen business partnerships and explore opportunities across the footwear value chain.

Jawed Ashraf, Chairman, ITPO, underscored the potential of India's footwear industry, which provides employment to nearly 4.5 million people and accounts for 12-13 per cent of global footwear production.

He observed that despite India's strong manufacturing base, the country's share in global footwear exports remains around 2 per cent, and called for a collective effort by the government, industry, and ITPO to increase this share to 10 per cent.

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## GLOBAL

### Switzerland, UK conclude talks on modernised free trade deal

Switzerland and the United Kingdom have substantively concluded negotiations on a modernised free trade agreement that expands their post-Brexit bilateral framework and is now moving through legal finalisation, signing, domestic approval and entry into force, according to the Switzerland Global Enterprise (S-GE), the official Swiss organization for export and investment promotion.

The agreement is expected to give Swiss companies improved conditions in services, investment, digital trade and intellectual property protection, S-GE said in an article from Michael Kuhn, senior consultant for UK+Nordics.

The negotiations were substantively concluded in July 2026. Services had already been covered by separate and sectoral bilateral arrangements between Switzerland and the United Kingdom, but the modernised agreement brings them into the free trade agreement more broadly and in a more updated framework.

The pact also covers investment, mobility of service providers, digital trade and intellectual property, expanding the contractual framework created after Brexit and contributing to greater legal certainty for companies operating across the two markets.

The article mentioned that after the end of the Brexit transition period, agreements between Switzerland and the European Union no longer applied in relation to the United Kingdom. Switzerland therefore moved to secure existing economic relations with the United Kingdom bilaterally, aiming to avoid disruption and maintain as much continuity as possible for businesses.

The Swiss approach, known as *Mind the Gap*, focused on carrying over essential existing rights and obligations where possible so that companies would not face legal uncertainty. While that phase prioritised continuity rather than substantive development, the modernised agreement goes beyond continuity assurance.

For Swiss companies, the source identified clearer, more modern and more reliable conditions for business with the United Kingdom as particularly relevant. The proposals include improved conditions for cross-border services, more reliable and targeted rules on service-provider mobility, modern rules for digital business, enhanced intellectual property protection, and improvements for investments, customs procedures and selected goods-trade areas, added the article.

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**UK businesses flag sustained supply chain & energy cost concerns**

Supply-chain risks and export cost pressures remained elevated for UK businesses in late July 2026, with concerns over international conflicts, shipping disruptions, energy and fuel prices showing little sign of easing, according to the latest Business Insights and Conditions Survey (BICS) released by the Office for National Statistics (ONS).

The final results from Wave 161 of the survey, conducted between July 20 and August 2, 2026, showed that 29 per cent of businesses with 10 or more employees were concerned that international conflict could affect their supply chains over the next 12 months, while 20 per cent cited shipping disruption as a concern. Although both measures were broadly unchanged from June 2026, they were 19 and 12 percentage points higher, respectively, than in December 2025.

Among businesses with 10 or more employees reporting on supply-chain issues, 52 per cent expected sourcing material costs to be affected, while 47 per cent anticipated higher transportation costs. Both figures were broadly stable compared with June 2026, though the share expecting transportation cost impacts was 14 percentage points higher than in December 2025.

Energy and fuel prices also remained a significant concern. Overall, 57 per cent of businesses expressed some level of concern about energy prices in late July, while 60 per cent were concerned about fuel prices. Among businesses with 10 or more employees, both figures stood at 70 per cent, with fuel-price concerns rising by 3 percentage points from early July.

The survey also highlighted mounting export cost pressures. In late June 2026, 23 per cent of trading businesses with 10 or more employees reported exporting goods, services, or both during the previous 12 months. Of these exporters, 39 per cent said their exporting costs had increased in June 2026 compared with June 2025. This represented a 9-percentage point increase from December 2025 and the highest proportion recorded since June 2023, when it reached 43 per cent.

The ONS noted that 94 per cent of businesses were trading in late July 2026, including 85 per cent operating fully and 10 per cent trading partially. Meanwhile, 4 per cent had temporarily paused trading and 2 per cent had permanently ceased trading.

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