LETTER

CONFEDERATION OF INDIAN TEXTILE INDUSTRY

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News Highlights

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Tribal Weaves of India showcases India’s tribal textile traditions

The Ministry of Tribal Affairs and Tribal Cooperative Marketing Development Federation of India Limited today organized Tribal Weaves of India in New Delhi to mark the 12th National Handloom Day. The event showcased the rich diversity of India’s tribal textile traditions through RISA: Timeless Tribal. It aimed to raise awareness of RISA and reinforced its unique positioning as an artisan- and craft-led brand, rather than just another fashion label.

Secretary, Ministry of Tribal Affairs, Ranjana Chopra emphasised the importance of creating sustainable livelihood opportunities for tribal communities through stronger market linkages. The Secretary said that it will enable them to establish a distinct presence in the niche textile segment and meet the evolving aspirations of a wider clientele. She further highlighted that tribal textiles embody generations of indigenous knowledge, cultural identity and sustainable practices. She reiterated that initiatives such as RISA provide an important platform for preserving these traditions while expanding market access and creating enhanced livelihood opportunities for tribal artisans across the country.

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India's textile sector poised for global sourcing shift as china loses US apparel share: Nuvama

Read more At:

https://www.aninews.in/news/business/indias-textile-sector-poised-for-global-sourcing-shift-as-china-loses-us-apparel-share-nuvama20260802124056/

Exporters Leverage Free Trade Pacts, CoO Issuance Doubles

Issuance of certificates of origin, a key document to avail free trade agreement benefits, has more than doubled from 3.6 lakh in 2021-22 to over 7.8 lakh in 2026-27 so far, Parliament was informed on Friday.

The data indicates growing utilisation of India's trade agreements and expanded market access opportunities for exporters, Minister of State for Commerce and Industry Jitin Prasada said in a written reply to the Rajya Sabha.

An exporter has to submit the certificate at the landing port of the importing country.

The document is important to claim duty concessions under free trade agreements as they are essential to prove where the goods come from.

"India's issuance of CoO more than doubled from 3.6 lakh in FY 2021-22 to over 7.8 lakh in FY 2026-27, indicating growing utilisation of India's trade agreements and expanded market access opportunities for Indian exporters," he said.

He informed that India's merchandise exports recorded a robust growth of 16 per cent, increasing from USD 111.57 billion in April â June 2025-26 to USD 129.32 billion in April â June 2026-27.

"Merchandise exports to India's FTA partner countries grew by 25 per cent, rising from USD 34.65 billion to USD 43.14 billion during the same period," he added.

Consequently, Prasada said the share of FTA partners in the country's total exports increased from 31.1 per cent to 33.4 per cent during the same period, highlighting the positive role of these pacts in supporting export growth and expanding market access.

India has implemented trade agreements with the UAE, Australia, the EFTA bloc, Oman and the UK.

In a separate reply, he said the FTA-wise trade analysis indicates that India's exports have strengthened across several FTA partner countries, reflecting improved market access and enhanced competitiveness, particularly in labour-intensive and high-value sectors such as textiles and apparel, pharma, agriculture and allied products, organic chemicals, and electronics.

"Imports in selected sectors, including petroleum products, machinery and electrical equipment, chemicals, and other intermediate and capital goods, have expanded, facilitating access to energy security, essential raw materials, advanced technologies and critical inputs, thereby supporting domestic manufacturing and enhancing competitiveness," he added.

Replying to another question, the minister said the country's import dependence continues to be shaped by the country's rapid economic growth, industrialisation, urbanisation, expanding manufacturing base, and deeper integration with global value chains (GVCs).

In 2025-26, India's ten largest import partner countries were China, UAE, Russia, US, Saudi Arabia, Iraq, Hong Kong, Switzerland, Singapore and Japan.

According to the data provided by the minister, India's trade deficit with China has increased to USD 112.16 billion in the last fiscal from USD 73.31 billion in 2021-22.

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India's goods exports to FTA partners rise 25% in Q1 FY27, outpace total merchandise growth

Read more at: https://www.moneycontrol.com/news/business/india-s-goods-exports-to-fta-partners-rise-25-in-q1-fy27-outpace-total-merchandise-growth-13998113.html

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IP protection, FTA utilisation, contractual safeguards' integration key for Indian exporters: Report

Read more at: https://m.economictimes.com/news/economy/foreign-trade/ip-protection-fta-utilisation-contractual-safeguards-integration-key-for-indian-exporters-report/articleshow/133039929.cms.

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India's supply-side potential strengthened amid repeated global shocks: CEA Nageswaran

India's ability to sustain high economic growth while bringing down public debt and fiscal deficit reflects a significant improvement in the economy's supply-side potential, even as the country faces a more challenging global environment over the next two decades, Chief Economic Adviser V Anantha Nageswaran said.

Speaking at an Assocham FinTech event, Nageswaran said the Indian economy had demonstrated resilience despite facing a series of major external shocks over the past decade, including the Covid-19 pandemic, the Russia-Ukraine war, the energy shock, supply chain disruptions, tariffs and geopolitical conflicts.

Besides, Nageswaran said the government inherited an economy facing balance-sheet stress in the corporate and banking sectors, along with high fiscal and current account deficits.

The subsequent years, he pointed out were focused on repairing these balance sheets while undertaking structural reforms such as the Goods and Services Tax and the Insolvency and Bankruptcy Code.

Infrastructure spending also began to increase from 2018-19, he said.

However, even as corporate and banking-sector balance sheets were being repaired, the economy faced problems in housing finance and non-banking finance in 2018-19 and 2019-20, followed by Covid-19, the Russia-Ukraine war and the energy shock.

“Every year or two, there has been some major exogenous shock,” Nageswaran said.

Despite these disruptions, India has been among the few economies to sustain real growth of around 7 per cent in the post-Covid period, he said.

Furthermore, Nageswaran cited the decline in the fiscal deficit, which has fallen from 9.2 per cent to 4.4 per cent, while noting that India was among a small number of countries that had also reduced their public debt ratio during the post-Covid period.

Accordingly, the CEA said the enhancement in the economy’s supply-side potential was a significant achievement.

He said the sustained growth had been accompanied by a decline in average inflation, with India’s inflation rate increasingly converging towards the developed-world average of around 3-4 per cent.

Additionally, Nageswaran said the focus over the next two decades should be on harnessing India’s demographic dividend, particularly through skilling, education, and greater attention to physical and mental health.

He identified agriculture and state capacity, including the ability to take decisions faster, as areas requiring greater attention.

Financial sector

On the financial sector, Nageswaran said finance should be viewed as an enabling sector rather than the key driver of economic activity.

According to him, fintech companies, which generally operate with smaller capital bases than well-capitalised banks, can make a difference particularly in sectors such as small and medium enterprises, self-employed businesses and retail finance.

Nevertheless, he said the government should not sit in judgment over whether FinTech companies were allocating capital in the most productive manner, as this should be determined by market participants.

Nageswaran also cautioned against making the expansion of financial-sector activity as a multiple of gross domestic product a policy objective.

He said financial-sector activity should follow the growth of the underlying economy, warning that excessive financialisation could give the financial sector greater importance than the real economy.

“We just have to make sure that the regulatory environment is predictable, stable, consistent, and doesn’t stand in the way of legitimate economic activity and financial sector growth,” he said.

On cross-border payments, Nageswaran said the growth of merchandise and services trade between countries would ultimately drive greater use of respective currencies and cross-border payment systems.

Notably, he said policymakers should focus on preparing the regulatory and technological framework, while facilitating greater trade in goods and services.

AI impact

On artificial intelligence, Nageswaran said the focus should be on safety and security, particularly in the financial sector.

He cautioned that artificial intelligence should not become a tool for exclusion and said humans should remain in the loop as the technology develops.

In addition, Nageswaran said the next 20 years would not resemble the previous three decades since the economic reforms of 1991.

“We are going through structural breaks in many areas — climate, technology and geopolitics and supply chain weaponisation,” he said.

He added that both the private and public sectors would need to “up our game substantially” over the next two decades as the global economic environment becomes more challenging.

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More exporters leveraging benefits of free trade pacts: Govt

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India, Egypt discuss boosting investment flows, trade in digital services: Piyush Goyal

Commerce and Industry Minister Piyush Goyal on Friday said India and Egypt discussed measures to enhance two-way investment flows, strengthen bilateral economic cooperation and facilitate smoother trade in digitally delivered services during a meeting with Egypt's Minister of Investment and Foreign Trade Mohamed Farid Saleh.

Sharing details of the meeting with Dr. Saleh, on X, Goyal said both sides discussed measures to enhance two-way investment flows and reinforce bilateral economic cooperation.

The talks also covered steps to facilitate smoother trade in digitally delivered services. The meeting took place on the sidelines of the BRICS India 2026 Trade and Industry Ministers' Meeting.

"Held a meeting with Dr. Mohamed Farid Saleh, Minister of Investment and Foreign Trade, Egypt, on the sidelines of the BRICS India 2026 Trade and Industry Ministers' Meeting," Goyal stated.

"Discussed measures to enhance two-way investment flows, reinforce bilateral economic cooperation, and facilitate smoother trade in digitally delivered services," he mentioned.

Meanwhile, earlier in the week, Goyal said that BRICS nations have a unique opportunity to strengthen manufacturing competitiveness, deepen technological collaboration, build resilient value chains and promote sustainable industrial growth.

Addressing the BRICS Industry Ministers' Meeting in Jaipur under India's BRICS 2026 Chairship on Thursday, Goyal said the discussions focused on the future of industrial cooperation and economic collaboration among BRICS member nations.

"Delighted to address the BRICS Industry Ministers' Meeting in Jaipur under India's BRICS 2026 Chairship, where we discussed the future of industrial cooperation and economic collaboration," Goyal stated.

"Emphasised that BRICS nations have a unique opportunity to strengthen manufacturing competitiveness, deepen technological collaboration, build resilient value chains, and promote sustainable industrial growth," he mentioned.

He said India highlighted its priorities of strengthening micro, small and medium enterprises (MSMEs), fostering startup innovation, expanding clean energy cooperation and building technology-enabled logistics ecosystems to drive sustainable industrial development.

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UK initiates safeguard probe on polyethylene terephthalate

The United Kingdom has launched a safeguard investigation on polyethylene terephthalate (PET), a material relevant to polyester-linked textile and packaging supply chains, with importers, exporters and other interested parties invited to participate in the proceeding.

The Trade Remedies Authority (TRA) is responsible for conducting the investigation. Interested parties can register their interest and submit comments through the Trade Remedies Service by 23:59 UK time on August 19, 2026. Hearing requests can also be made using the Trade Remedies Service.

The notification is available in G/SG/N/6/GBR/2, the World Trade Organization (WTO) said in a press release. The country also encouraged WTO members to make the investigation details, including participation deadlines, known to exporters that may have an interest.

A safeguard investigation examines whether increased imports of a product are causing, or threatening to cause, serious injury to a domestic industry. During such an investigation, importers, exporters and other interested parties may present evidence and views and respond to submissions made by other parties.

Under WTO rules described in the notification, a member may take safeguard action, meaning a temporary restriction on imports of a product, only if increased imports are found to be causing, or threatening to cause, serious injury.

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Global manufacturing grows 3.1% as apparel exports fall 2.6%

Read more at : https://www.fibre2fashion.com/news/apparel-news/global-manufacturing-grows-3-1-as-apparel-exports-fall-2-6--312410-newsdetails.htm

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