

LETTER

CONFEDERATION OF INDIAN TEXTILE INDUSTRY

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News Highlights

NATIONAL

**T.N. to modernise government
textile mills at ₹12 crore**

**India textiles make EU push
ahead of FTA**

**FTAs: The gulf between market
access and market success**

**Belgium hedges against an
unpredictable US**

GLOBAL

**Global knitwear trade nears
\$290 billion as industry
expands its share**

**New Zealand, Australia
accelerate Single Economic
Market work**

NATIONAL

T.N. to modernise government textile mills at ₹12 crore

The Tamil Nadu government will modernise its six textile mills in the State at ₹12 crore, said Minister for Handlooms, Textiles, and Khadi Vijay Balaji.

The Minister who visited the Co-optex outlets, Kurichi SIDCO Industrial Estate, and its textile mill in Coimbatore told *The Hindu* the plan is to modernise the six spinning mills operated by the Tamil Nadu government at ₹12 crore and instal a wind mill for captive power consumption. The total cost for this project is estimated to be ₹20 crore. The mills will provide employment opportunities for local youth and produce yarn that can be used for the free dhoti and saree scheme of the government, he said.

Mr. Balaji also said there is a need to showcase, promote, and create a niche market for the handwoven products of the State. The government is looking at various measures for this and support the weavers, he added.

Regarding the free dhoti and saree scheme, he said that handloom weavers who are involved in the scheme will get 10% hike in dearness allowance and wages. “I am talking to the officials to increase the wages for the weavers in the powerloom sector too. There are some powerloom societies that are dependent on this scheme. Further, more than 80% of the saris and dhotis for the scheme is supplied by the powerloom sector. If the weavers are given their due wages, they will ensure supply of quality products,” he added.

[Home](#)

India textiles make EU push ahead of FTA

Read more at : <https://www.thehindubusinessline.com/news/india-textiles-make-eu-push-ahead-of-fta/article71431941.ece>

[Home](#)

FTAs: The gulf between market access and market success

Read more at : https://www.business-standard.com/amp/opinion/columns/ftas-the-gulf-between-market-access-and-market-success-126090700008_1.html

[Home](#)

Belgium hedges against an unpredictable US

From defence co-production to the India-EU free trade agreement, Brussels and New Delhi are finding common ground for a rules-based economic order

When Bart De Wever landed in New Delhi on September 2, he became the first Belgian Prime Minister to visit India in two decades — his first as PM. A wreath at Rajghat, warm words at Hyderabad House and ten outcomes in three days signalled more than protocol: a considered European wager on India just as Washington's commitment to open trade looks conditional at best. De Wever did not need to name Donald Trump in Mumbai to be understood. Addressing the India-Belgium High-Level Dialogue on the India-EU Free Trade Agreement, he cautioned against a rising tide of protectionism, mocking leaders who "decide something on Monday, revoke it on Wednesday, and reinstall it on Saturday." When the room applauded, he added, wryly, that their applause told him exactly who he meant. India needed no footnote. Its exporters had lived that whiplash directly: a 50 per cent US tariff over Russian oil purchases, cut to 18 per cent by a bilateral deal, then to 10 per cent after the Supreme Court struck down Trump's wider tariff powers.

For his hosts, De Wever's complaint simply described the recent past. Belgium brought substance to match the sentiment. Officials framed the outcomes around "three Ts" — trade, technology, talent. A defence Letter of Intent, an industry MoU between Belgium's BDSI and India's SIDM, and contracts signed by defence ministers Rajnath Singh and Theo Francken point toward co-designing and co-producing military hardware, not merely buying it.

A CBI-Belgian Federal Police pact on transnational crime carries an unspoken subtext: the pending extradition of fugitive diamantaire Mehul Choksi, in Belgian custody since 2025. Add semiconductors, critical minerals, renewable energy, an investment fast-track mechanism, and a target to double the \$13-billion trade relationship within five years, and this reads less like a courtesy call than a partnership being deliberately rebuilt. The deeper convergence, though, is of worldview. Belgium and India — one a small federal state

balancing linguistic communities, the other the world's largest democracy — share a commitment to pluralism, the rule of law and open markets that both leaders called a "natural" fit.

Brussels backs India's bid for a permanent UN Security Council seat, and De Wever went out of his way to praise Modi personally, casting him as a rare point of steadiness amid global disorder. Beneath the flattery sits calculation: as Washington's tariffs swing and Beijing's leverage grows, both capitals are hedging toward each other, and toward a rules-based order that no single power controls. That same logic underwrites the India-EU Free Trade Agreement itself — concluded in January, awaiting signature, and set to scrap tariffs on 96 per cent of EU goods, the largest such pact either side has struck. The takeaway is straightforward. Europe's middle powers, modest individually, are becoming collectively significant as India diversifies away from an unpredictable Washington. Whether this visit's promise holds will be measured less in joint statements than in whether its MoUs mature into contracts — and whether Choksi finally comes home.

[Home](#)

GLOBAL

Global knitwear trade nears \$290 billion as industry expands its share

The global apparel trade is undergoing a structural shift toward knitwear, reflecting changing consumer preferences and the growing demand for casual, stretch, and performance-oriented clothing. Knitwear exports rose from \$145.2 billion in 2006 to \$289.1 billion in 2025, increasing their share of global textile exports from 25.9% to 31.6%.

Knitwear also overtook woven garments in export value in 2020, marking a significant change in the composition of global apparel trade. By 2025, knitted and woven garments

together generated \$546.8 billion in exports, accounting for nearly 60% of the approximately \$914 billion global textile export market.

A major driver behind this growth is the rise of synthetic fibers. Synthetic knitwear exports grew by 179% over the last two decades. They rose from \$35.6 billion in 2006 to \$99.2 billion in 2025. Cotton knitwear also grew to \$128.3 billion, but its overall share of the knitwear market decreased. This shift happens because modern consumers prefer athleisure, sportswear, and stretch clothing.

This trend has altered global manufacturing hubs. Knitting technology and automated production allow factories to adapt quickly. Countries like Bangladesh and Vietnam have experienced rapid growth because of their knitwear capacity. Together with China, these three nations now supply nearly half of all global textile exports.

Knitwear remains the main growth driver of the apparel trade. However, the industry faces new regulatory challenges related to sustainability and synthetic fiber waste.

[Home](#)

New Zealand, Australia accelerate Single Economic Market work

New Zealand and Australia have accelerated work towards a more ambitious Single Economic Market (SEM), with trade ministers concluding the annual Closer Economic Relations (CER) Trade Ministers' Meeting in Auckland on September 4, 2026.

The SEM Strengthening Initiatives welcomed at the meeting include a new programme of trans-Tasman business-government collaboration to implement Australia New Zealand Leadership Forum proposals aimed at reducing the cost of doing business between the two countries. The work will focus on regulatory coherence and common standards, supply chains, climate adaptation, defence industry collaboration, space, innovation and technology.

New Zealand Trade and Investment Minister Todd McClay and Australian Trade and Tourism Minister Don Farrell said the agenda also includes closer regulatory and standards alignment, with a 30 per cent increase in Joint Trans-Tasman Standards enabled by a new Standards Development and Distribution Agreement and Statement of

Operating Procedures signed by Standards New Zealand and Standards Australia, according to a joint statement released by the New Zealand government.

The ministers also cited co-ordinated regional and global trade engagement, including CPTPP, RCEP, PACER Plus and AANZFTA.

Todd McClay, Trade and Investment Minister, New Zealand said, "We have taken on board feedback from the trans-Tasman business community and look forward to working with the Australia New Zealand Leadership Forum to implement their proposals."

The ministers also announced a trade mission to Brisbane intended to ensure New Zealand businesses take advantage of procurement opportunities presented by the Brisbane 2032 Olympic and Paralympic Games, with an estimated A\$15 billion (~\$10.8 billion) programme of investment and expenditure, according to the joint statement.

[Home](#)