

# December 2024

## ECONOMY

### WORLD

#### China Mulls \$411 –bn special treasury bonds in 2025

Chinese authorities have agreed to issue 3 trillion yuan (\$411 billion) worth of special treasury bonds next year, two sources said, which would be the highest on record, as Beijing ramps up fiscal stimulus to revive a faltering economy. The plan for 2025 sovereign debt issuance would be a sharp increase from this year's 1 trillion yuan and comes as Beijing prepares to soften the blow from an expected increase in U.S. tariffs on Chinese imports when Donald Trump returns to the White House in January.

The proceeds will be targeted at boosting consumption via subsidy programs, equipment upgrades by businesses and funding investments in innovation-driven advanced sectors, among other initiatives, said the sources. The sources, who have knowledge of the discussions, declined to be named due to sensitivity of the matter. The State Council Information Office, which handles media queries on behalf of the government, the finance ministry and the National Development and Reform Commission (NDRC), did not immediately respond to a Reuters request for comment. The planned special treasury bond issuance next year would be the largest on record and underscores Beijing's willingness to go even deeper into debt to counter deflationary forces in the world's second-largest economy. China does not generally include ultra-long special bonds in its annual budget plans, as it sees the instrument as an extraordinary measure to raise proceeds for specific projects or policy goals as needed.

As part of next year's plan, about 1.3 trillion yuan to be raised through long-term special treasury bonds would fund "two major" and "two new" programs, said the sources with knowledge of the matter. The "new" initiatives consist of a subsidy program for durable goods, where consumers can trade in old cars or appliances and buy new ones at a discount, and a separate one that subsidizes large-scale equipment upgrades for businesses. The "major" programs refer to projects that implement national strategies such as construction of railways, airports and farmland and build security capacity in key areas, according to official documents. The state planner NDRC said on Dec. 13 Beijing had fully allocated all proceeds from this year's 1 trillion yuan in ultra-long special treasury bonds, with about 70% of proceeds financing the "two major" projects and the remainder going towards the "two new" schemes.

(F.E.25/12/2025)

## **China revises up 2023 GDP, sees little impact on 2024 growth**

China revised upwards on Thursday the size of its economy by 2.7%, but said the change would have little impact on growth this year, as policymakers pledged more stimulus to spur expansion in 2025. Policy support late this year has set the world's second-largest economy on track for a growth target of "around 5%" as activity warmed slightly, but challenges such as potential U.S. tariff hikes still weigh on prospects for next year. Gross domestic product (GDP) in 2023 was raised by 3.4 trillion yuan to 129.4 trillion (\$17.73 trillion), Kang Yi, the head of the National Bureau of Statistics, told a press conference, while releasing the fifth national economic census. He did not explain the reasons for the 2023 revision, but said the bureau would provide further details on its website within days. China's economy has "withstood the test of multiple internal and external risks over the past five years, and maintained a generally stable trend while progressing," Kang said. In previous five-yearly economic censuses, China revised up the size of the economy for 2018 by 2.1% and for 2013 by 3.4%. The fifth economic census carried out over the past five years encompassed the three years of the COVID-19 pandemic, which had a significant impact on the economy, Kang added. The international environment had witnessed "profound and complex changes" since the previous such census, he said.

The revision of 2023 GDP would not have a significant impact on China's 2024 GDP growth rate, Lin Tao, the bureau's deputy head, told the same briefing, however. On Thursday, the World Bank raised its forecast for China's economic growth in 2024 and 2025, but warned that subdued household and business confidence, along with headwinds in the property sector, would keep weighing it down next year. The economic census will provide important data to help formulate tasks for China's 15th five-year plan from 2026 to 2030, and help achieve its 2035 goals, Kang said, without elaborating. President Xi Jinping's vision of "Chinese-style modernisation" envisages doubling the size of the economy by 2035 from its 2020 level. Government economists estimate that would require average annual growth of 4.7%, a target many analysts outside China consider overly ambitious.

At an agenda-setting meeting this month, Chinese leaders pledged to increase the budget deficit, issue more debt and loosen monetary policy to support economic growth next year in expectation of more trade tensions with the U.S. when President-elect Donald Trump takes office in January. Last week Reuters reported that the leaders agreed to raise the budget deficit to 4% of gross domestic product next year, its highest on record, while maintaining an economic growth target of around 5%. The economic census showed the number of business entities in the secondary and tertiary industries at the end of 2023 rose 52.7% from the end of 2018, but growth of employment lagged, at 11.9%. The economic census showed changes in China's job market, with 25.6% more people employed in the tertiary industries at the end of 2023 than at the end of 2018, but secondary industries had 4.8% fewer employees.

(F.E.27/12/2024)

## **GROWTH OF ECONOMY**

### **RBI Holds Key rate 'to bring down Inflation in the interest of growth**

The sixmember Monetary Policy Committee (MPC) on Friday stood its ground, maintaining the status quo on the policy repo rate despite mounting calls from various quarters to usher in a softer interest rate regime. Reserve Bank Governor Shaktikanta Das emphasised that (retail) inflation, which crossed the MPC's upper tolerance level of 6 per cent in October, has to be brought down in the interest of sustainable growth. He emphasised that the credibility of the flexible inflation targetting framework needs to be preserved. The RBI lowered its FY25 real GDP growth projection to 6.6 per cent (from the earlier 7.2 per cent) even as it upped its retail inflation forecast to 4.8 per cent (4.5 per cent). Even as it left the repo rate unchanged, the RBI announced a 50 basis points cut in the Cash Reserve Ratio to 4 per cent to ease the liquidity tightness that could arise in the coming months due to tax outflows, increase in currency in circulation and volatility in capital flows. The CRR cut will release primary liquidity of about ₹1.16 lakh crore into the banking system. Further, to attract more capital inflows, the Central bank increased the interest rate ceiling on Foreign Currency (Nonresident) Accounts (Banks)/FCNR (B) deposits for a limited period, up to March 2025.

The MPC left the repo rate unchanged at 6.5 per cent by a 4:2 majority (5:1 in the October meeting) in the backdrop of retail inflation running well above its 4 per cent target (at 6.2 per cent in October, a 14month high), the second quarter growth slowing to a twoyear low of 5.4 per cent and a depreciating currency. The MPC also decided unanimously to continue with the 'neutral' stance and to remain unambiguously focused on a durable alignment of inflation with the (4 per cent) target while supporting growth. Notably, last month, Das had observed that a change in stance (from 'withdrawal of accommodation' to 'neutral' in October) doesn't mean the next step is a rate cut. Madan Sabnavis, Chief Economist, Bank of Baroda, said, given the benign forecast of 4.5 per cent CPI inflation for the fourth quarter, there is a good chance of a repo rate cut in the next policy meet. Governor observed that the MPC remains committed to restoring the balance between inflation and growth, which has got unsettled. The RBI will use its various policy instruments to create conditions for restoring the inflation-growth balance. "Since the last policy, inflation has been on the upside while there has been a moderation in growth. Accordingly, the MPC has adopted a prudent and cautious approach in this meeting to wait for better visibility on the growth and inflation outlook," Das said.

(B.L.7/12/2024)

## **CII warns against growth risks from tight fiscal deficit targets in Budget 2025-26**

The Confederation of Indian Industry (CII) has urged the Centre to strike a careful balance between fiscal deficit targets and growth support in the upcoming Budget, cautioning that overly aggressive deficit reductions could hinder economic growth. The apex industry chamber has, in its submissions for the Budget, suggested sticking to the fiscal deficit target of 4.9 per cent of GDP for FY25 and pegging a target of 4.5 per cent for FY26. Noting that India has been growing rapidly amidst a slowing global economy, Chandrajit Banerjee, Director General, CII, said that prudent fiscal management for macroeconomic stability has been pivotal to this growth. Banerjee said that the fiscal management so far has maintained the perfect balance between the fiscal deficit and fiscal support to growth. This has provided macroeconomic stability to the economy and helped build resilience in an environment of great global economic uncertainty, he added. Banerjee's remarks are particularly significant, as they come amid a sharp slowdown in India's economic momentum. The country's GDP growth in the second quarter hit a seven-quarter low of 5.4 per cent, prompting the Reserve Bank of India (RBI) to revise its full-year growth projection downward to 6.6 per cent from the earlier estimate of 7.2 per cent. CII has also welcomed the Budget 2024-25 announcement to keep the fiscal deficit at levels that help reduce the debt-to-GDP ratio. In preparation for this, the forthcoming budget could lay out a glide path to bring the Centre's debt to below 50 per cent of GDP in the medium term (by 2030-31), and below 40 per cent of GDP in the long term, CII has suggested. Such an explicit target would have a positive impact on India's sovereign credit rating and on the interest rates in the economy, in general, it added.

To aid longer term fiscal planning, the government should consider instituting fiscal stability reporting, Banerjee suggested. This could include issuing annual reports on fiscal risks under different stress scenarios and the outlook for fiscal stability. The exercise will help forecast potential economic headwinds or tailwinds and assess their impact on the fiscal path. The reporting can also include long-term (10-25 years) forecasting of fiscal positions accounting for impact of factors like economic growth, technological change, climate change and demographic changes. Several countries have adopted this proactively ranging from 10 years in Brazil to 50 years in the UK. "In addition to the fiscal prudence at the Centre, fiscal prudence at the State level is equally crucial for the overall macroeconomic stability and fiscal sustainability. Today, the combined spending by State governments is higher than that of Union Government," Banerjee added. CII has suggested three interventions to nudge the states towards fiscal prudence. One, the States could be encouraged to institute state-level fiscal stability reporting. Two, States have been allowed to borrow directly from the market, following the recommendations of the 12th Finance Commission. States can also provide guarantees in case of borrowing by state PSEs, which have implications for the State's fiscal health. Three, the Centre could create an independent and transparent credit rating system for the states to incentivise them to maintain fiscal prudence. Rating of states could be used to grant them greater autonomy in deciding how to borrow and spend. Such rewards will act as a strong incentive for State governments to prioritise fiscal prudence and fiscal sustainability of finances,

(B.L.9/12/2024)

## **NBFCs Maintain double –digit credit growth last fiscal**

Loans and advances by non-banking financial companies (NBFCs) grew 18.5% in FY24, primarily driven by upper-layer NBFCs, according to the Reserve Bank of India's report on trend and progress, released on Thursday. NBFCs' credit growth stood at 17.4% in FY23. The credit growth of middle-layer NBFCs was relatively muted on account of a contraction in unsecured loans. As on March 2024, more than two-thirds of the aggregate credit exposures and total borrowings of NBFCs were long-term – more than 12 months. Credit to industry and retail sector accounted for almost 71.2%, the highest percentage in the entire loan portfolio. It was followed by the agriculture and allied sector and micro, small, and medium enterprises (MSMEs). Industry wise, credit to the power sector accounted for 75.2%, driven by large government-owned NBFCs. Vehicle loans, loans against gold and microfinance loans have been the stronghold of NBFCs, together accounting for 56.7% of their retail portfolio at end-March 2024, the report showed.

Credit to the MSME sector witnessed a steady expansion, with its share in total loan portfolio standing at 11.7%. This is expected to pick up with the expansion of unified lending interface. The increase in risk weights on banks' lending to NBFCs due to latter's excessive reliance on bank borrowings has weighed on NBFCs borrowings from banks. Consequently, unsecured lending moderated. On the liability side, due to decline in credit from banks, NBFCs resorted to market borrowings such as debentures and commercial papers. For deposit-taking NBFCs, public deposits remain an important source of funds. Asset sales and securitisation have of late emerged as important funding sources, particularly because of their role in facilitating liquidity management, said the report. However, bank borrowings remain the primary source of funds for NBFCs.

Overall banks' exposure as a share of NBFCs' borrowings moderated from 43.1% at end-March 2023 to 42.7% at end-March 2024. Overall banks' exposure to NBFCs as share of total credit also declined. Funds mobilised by NBFCs through issuance of non-convertible debentures increased in 2023-24, with more than 80% of issuances being highly rated (AAA or AA). Borrowings via CPs also increased. NBFCs also secured funds from foreign sources, mainly through external commercial borrowings (ECBs) and issuance of debentures. At end-March 2024, foreign liabilities stood at 8.8% of aggregate liabilities of the sector, led by ECBs, accounting for 57.5%. At the end-September 2024, capital to risk weight asset ratio of the sector stood at a comfortable level of 26.1%, well above the regulatory requirement of 15%. The overall gross non-performing asset ratio dropped to 3.4%.

(F.E.27/12/2024)

## **India's economy ends 2024 on strong note as business growth hits 4-month high, PMI shows**

India's private sector output grew at the fastest pace in four months, preliminary readings from a survey showed, helping the economy end 2024 on a positive note underpinned by sturdier demand in services and manufacturing and record jobs growth. Asia's third-largest economy grew a softer 5.4 per cent last quarter, but easing inflation is expected to spur demand among private sector firms, improving the outlook for next year. Monday's HSBC's December flash India Composite Purchasing Managers' Index (PMI), compiled by S&P Global, rose to 60.7 this month - matching August's reading - after dropping to 58.6 in November. The 50-level separates growth from contraction and the business activity index has been above 60 in all but three months this year. Such strength hasn't been seen since 2008 when the global financial crisis hit, suggesting strong private sector expansion. "The small rise in the headline manufacturing PMI in December was mainly driven by gains in current production, new orders and employment," said Ines Lam, economist at HSBC.

"The expansion in new domestic orders quickened, suggesting a pick-up in growth momentum in the economy." A stronger rise in demand was mainly reflected in the PMI for the dominant services sector, which rose to a four-month high of 60.8 from 58.4 in November, while the index for manufacturing was 57.4, up from 56.5 last month. Service providers led the rise in sales with the new business sub-index touching the highest since January. Improving international demand for goods and services also boosted sales with the former recording a faster increase than the latter.

That improved the business outlook for 2025 and overall optimism rose to its highest since September last year and prompted companies to ramp up hiring additional staff at the fastest pace since the survey began in late 2005. Both manufacturing and services posted a new peak for employment generation. Inflationary pressures eased in December after two consecutive months of steeper rises. However, firms again increased selling prices albeit at a slower pace than November's near 12-year high. That will provide some relief to newly appointed Reserve Bank of India Governor Sanjay Malhotra after consumer inflation came in lower than expected at 5.48 per cent last month with economists betting on a rate cut in February 2025, a Reuters poll found.

(B.L.16/12/2024)

## **India's merchandise trade deficit widens to a record \$37.8 bn in Nov**

India's trade deficit reached a record high of \$37.8 billion in November, amid a surge in merchandise imports, mainly driven by a 4.3-time jump in inbound shipments of gold, data released by the commerce department showed. Imports increased by 27 per cent to a record of almost \$70 billion during the month. On the other hand, exports contracted 4.8 per cent to a 25-month low of \$32.1 billion in November. The contraction came in a month after witnessing robust 17 per cent year-on-year (Y-o-Y) growth in October, which, according to government officials, was due to inventory-building by the West ahead of the Christmas season. Commerce secretary Sunil Barthwal said that in November, decline in petroleum prices had largely affected exports, although on the brighter side, non-petroleum products grew nearly 8 per cent, an indication that demand is intact. "This Christmas demand for exports is growing, which means that

demand for (non-petroleum) Indian products is consistently rising,”Barthwal told reporters in a briefing on Monday. During November, petroleum exports contracted 49.6 per cent at \$3.7 billion. That apart, gems and jewellery is another crucial export item that saw a massive decline of 26 per cent to \$2.06 billion. Key products that witnessed export growth include engineering goods (13.7 per cent), drugs and pharmaceuticals (1.1 per cent), electronic goods (54.7 per cent), and readymade garments (9.8 per cent). According to the data, India imported gold worth \$14.9 billion, comprising a fifth of merchandise imports in November. Commerce department officials said that a surge in import of the precious metal has been influenced by nearly a 30 per cent increase in price. “Gold has been reflected as one of the best performing assets in 2024, till November. Higher import is also due to the investor confidence in gold as a safe asset,” additional secretary L Satya Srinivas told reporters.

Aditi Nayar, chief economist and head of research and outreach at ICRA, said that such high levels of gold imports were likely driven by festive and marriagerelated demand, and are unlikely to sustain in the ensuing months, which would help to cool the upcoming merchandise trade deficit prints. Other items that saw a sharp increase in imports include electronic products (17.4 per cent), petroleum products (7.9 per cent), electrical machinery (12.8 per cent), organic and inorganic chemicals (6.5 per cent), and vegetable oil (87.8 per cent). On a cumulative basis, exports saw 2.2 per cent growth at \$284.31 billion during April-November. Imports saw 8.3 per cent growth at \$486.73 billion during the first eight months of the current financial year (FY25). “The adverse trade deficit print for November 2024 will result in a sharper-than-expected widening in India’s current account deficit (CAD) in Q3FY25 to 2.8 per cent of GDP as against earlier expectations of 2 per cent, which will be the highest level in over two years.

We have also revised our FY25 forecast for CAD to 1.4 per cent of GDP from 1 per cent earlier,” Nayar said. Federation of Indian Export Organisations (FIEO) President Ashwani Kumar said that ongoing international trade disruptions, along with the volatility in crude and metal prices, have also played a key role in the declining value of exports to some extent. “The rising tensions between Israel and Iran has continuously led to logistical challenges with regard to international trade getting impacted, as most of our trade to Europe, Africa, CIS, and the Gulf region is happening through the Red Sea route or the gulf region, prompting buyers to have a little large inventories,” Kumar said. In November, the value of services exports was higher than merchandise exports. Services exports saw 26.8 per cent growth at \$35.67 billion in November, while services imports witnessed 29.2 per cent rise to \$17.7 billion, resulting in a surplus of \$17.9 billion. Services trade data for November, however, is an “estimate”, which will be revised based on the Reserve Bank of India (RBI)’s subsequent release.

(B.L.16/12/2024)

## **New RBI Guv signs in, says focus to be on economic growth , policy stability**

Sanjay Malhotra, who assumed office as the twenty-sixth Reserve Bank of India (RBI) governor on Wednesday, said in his first media interaction that fostering economic growth, ensuring stability in policy making, and expanding financial inclusion would be among his key priorities moving forward. While significant progress has been made in financial inclusion, much more remains to be done, said Malhotra, stressing the importance of collaborating with all stakeholders in the financial system to further advance these efforts. "Ours is still an economy that needs to develop as we enter 'Amrit Kaal' and to realise the vision of Viksit Bharat by 2047. The huge responsibility we have in ensuring that the growth this country has, continues," Malhotra said. This statement assumes as India's gross domestic product (GDP) growth in the July–September quarter fell to a seven-quarter low of 5.4 per cent.

The RBI, in its recently concluded monetary policy meeting, also lowered its projection for GDP growth in FY25 from 7.2 per cent to 6.6 per cent. The slowdown in growth has led to calls for a rate cut in the February monetary policy meeting, which will mark Malhotra's first time chairing the meeting as RBI governor. "In my previous role, we were trying to give stability or continuity in policy. So, whether it is taxation policy or fiscal policy or monetary policy, I think all businesses, all people need continuity and stability rather than a day-to-day kind of a policy. So, we need to continue to uphold this value, this principle of stability," Malhotra said. However, he also cautioned about constantly evolving world, marked by geopolitical tensions, the impact of climate change, and political uncertainties. "We have to be alert and agile to meet these challenges while we maintain a policy continuity," Malhotra said. On financial inclusion, Malhotra said: "One of the most important roles of the central bank is to spread financial inclusion with the banking and the non-banking finance companies under its hold." While significant progress in financial inclusion has been made, particularly in making banking services available and accessible to even the most remote corners of the country, there is still much work to be done, and collaboration amongst financial regulators will be crucial to achieve this, he said.

Under the Pradhan Mantri Jan Dhan Yojana, a scheme focusing on providing universal access to banking facilities, over 530 million bank accounts have been opened, with over Rs 2.3 trillion in deposit balances. Of these accounts, 65 per cent are either in rural or semi-urban areas. "We must collaborate with financial regulators, as well as the central and state governments, to ensure that the benefits of formal financial inclusion reach every individual," Malhotra said. He also highlighted there would be increased focus on technology that can be used to reduce costs, make financial inclusion more accessible and all pervasive. Malhotra, who has taken over from Shakikanta Das, is a 1990-batch IAS officer from the Rajasthan cadre. Before being appointed as the RBI governor, Malhotra was secretary in the Department of Revenue and the Department of Financial Services in the Ministry of Finance. He described his new role as both an honour and a significant responsibility. "The RBI is a prestigious institution and it has a huge legacy. So I will continue to uphold the legacy and take it forward," Malhotra said. "The RBI has adopted stability, trust, and growth as its core principles. These pillars are essential, and we must continue to reinforce and build upon them," he said.

(B.S.12/12/2024)

## GOVERNMENT POLICY FOR TAXATION

### GST mop-up rises 8.5% to Rs.1.82 lakh cr in Nov.

The total gross Goods and Services Tax (GST) revenue grew 8.5% to over Rs 1.82 lakh crore in November as compared to Rs 1.68 lakh crore in the same month a year ago, data released by the finance ministry showed on Sunday. With the November collections, the cumulative gross GST mop-up in the first eight months of FY25 came in at Rs 14.6 lakh crore, 9.3% higher than the corresponding period of FY24. The growth in gross collections in the April-November period, however, is less than what finance ministry officials had anticipated for the full year at 11%. In April-November, gross GST collections from domestic activity were up 10.3% on year at Rs 11.04 lakh crore, but from imports, the growth was up merely 6%, which dragged down overall growth. MS Mani, partner, Deloitte India, said: "The domestic GST revenue growth of 10% plus in FY25 seems to support the GDP data which indicates an increase in domestic consumption. The import GST revenue growth of 6% also backs foreign trade data which indicates slower growth of non-petroleum imports." The total GST refunds issued in April-November stood at Rs 1.66 lakh crore, up 10.2% on year; and thus the net GST mop-up stood at Rs 12.9 lakh crore, 9.2% higher than the corresponding period of FY24. In November, the gross GST domestic revenue was up 9.4% on year at Rs 1.4 lakh crore, and gross GST import revenue was up 5.9% at Rs 42, 591 crore. Experts say that with the economy growing at a slower pace, imports may remain down for some time, and consequently the GST collections. Saurabh Agarwal, tax partner, EY India, said: "Considering the recent GDP data for the September 2024 quarter, we anticipate a slowdown in tax collections over the next four months." Agarwal said that month-on-month collections have declined (October was Rs 1.87 lakh crore) even after the festive boost.

"The global geopolitical scenario and potential consumer spending cuts could further exacerbate short-term economic growth," he said. The Central GST (CGST) collections in November were up 12.2% on year, and the State GST (SGST) mop-up was up by 12.6%. The collections from Integrated GST (IGST) were up by only 5.5%, and from cess by 8%. For the April-November period, collections from CGST were up 10.2% on year, and from SGST by 9.2%. IGST and cess collections were up 9.4% and 6.5%, respectively, in the period. Vivek Jalan, partner, Tax Connect, said that the income tax numbers and GST numbers seem "dichotomous". While YTD direct tax collections till November 10 have grown by more than 15%, the YTD GST collections in around that period have grown by only 9.3%. "This shows that while income levels are growing in India yet consumption is not aligned accordingly," he said. Experts further say that since gross collections growth is below expectations and also lower than the nominal GDP growth projection of 10.5%, the buoyancy of GST collections is likely to be below one this year. "This may require some food for thought for the GST Council as it meets on December 21," said Jalan.

(F.E.2/12/2024)

## **Raising GST on garments to impact small businesses, common man: TG Textile associations body**

The Telangana State Federation of Textile Associations has cautioned against any move to increase Goods and Services Tax (GST) rate on garments as that would impact small businesses and burden the common man. "We are writing to express concern regarding proposed hike in GST on garments priced ₹1,500-₹10,000 to 18% [from existing 12%] and [introduce] a 28% levy on garments priced above ₹10,000. Such steep hike on textile garments will have severe consequences for the industry and common people, TSFTA president Ammanabolu Prakash said in a letter to Union Finance Minister Nirmala Sitharaman. Roti, kapada and makaan (food, clothing and shelter) are fundamental necessities of life. Imposing a higher rate of GST on garments will disproportionately impact the textile and garment industry, which is a vital contributor to economic growth as well as generates considerable employment, he said. A higher levy will impact many small size textile and garment businesses that operate on thin margins, forcing them to rise prices resulting in lesser consumer demand and potential closure of the enterprises. More GST on garments would also lead to an increase in unorganised trade and tax evasion. Consumers would turn to informal material where taxes are not applicable thus reducing instead of leading to an increase in revenue. In the letter, a copy which was marked to Union Coal and Mines Minister and MP from Secunderabad G .Kishan Reddy by the Federation, Mr. Prakash said with higher rates middle and lower income families will struggle to afford quality clothing. No other commodity priced above ₹10,000 attracts GST, even the rate levied on gold and silver is 3%. The Textile trade leader said the appeal is being made in the backdrop of reports that the GST Council is considering an upward revision in the rate and a new rate slab on garments in its meeting later this month.

(The Hindu.16/12/2024)

## **GST rate overhaul: GoM to propose revisions for 150 items, report on Dec 21**

A Group of Ministers (GoM) for rationalising GST rates is expected to recommend to the GST Council rejig on 150 goods and services including textiles. It is also likely to suggest a new slab of 35 per cent for tobacco and tobacco-related products against the present rate of 28 per cent (excluding compensation cess). According to sources, all these issues were discussed on Monday in a meeting of GoM rate rationalisation chaired by Deputy Chief Minister of Bihar Samrat Chaudhary. The GoM agreed on several GST rate changes designed to simplify the GST framework and enhance revenue collection. The report is set to be presented at the 55th GST Council meeting on December 21 in Jaisalmer, which will be chaired by Finance Minister Nirmala Sitharaman. It is believed that the GoM has recommended lowering rates for textiles, bicycles, exercise books — items of common use. According to a source, the GoM has suggested a revised slab structure that keeps the 5 per cent rate for textile items up to ₹1,500 but proposes an 18 per cent tax for products priced between ₹1,500 and ₹10,000. For textiles priced above ₹10,000, the report recommends a hike to 28 per cent, aligning them with luxury goods. Textiles are one of the sectors facing issues related to an inverted duty structure (higher duty on raw materials and lower duty on output results in a refund). Earlier, the suggestion was to remove this by raising the rates in final outputs based on prices. However, because of political considerations,

this recommendation was deferred. Currently, the GST rate structure for textiles applies a 5 per cent tax on items priced up to ₹1,000 and a 12 per cent tax on those priced above ₹1,000. The GoM is believed to have suggested raising GST rates on several luxury items, including high-end wristwatches and shoes. Sources said the GoM has proposed increasing the GST rate on wristwatches priced above ₹25,000 from 18 per cent to 28 per cent. Similarly, shoes costing over ₹15,000 will also see a tax hike, with the rate going from 18 per cent to 28 per cent. In a bid to provide relief on everyday essential items, the GoM has proposed lowering the GST on bicycles priced below ₹10,000 from 12 per cent to 5 per cent. Exercise books and packaged drinking water above 20 litres would also see a reduction in GST from 12 per cent and 18 per cent, respectively, to 5 per cent.

(B.L.2/12/2024)

## **GST Council may provide exporter status to intermediaries for tax relief**

The 55th Goods and Services Tax (GST) Council meeting on Saturday may provide relief to intermediaries such as brokers, agents, and online bidding portals that offer their services to entities abroad. This will be done by classifying them as exporters, making them zero-rated. At present intermediary services are charged at 18 per cent under the Central GST Act. According to sources, the fitment committee of the GST Council has proposed an amendment to the Integrated GST Act by deleting Section 13(8)(b). "This amendment would alleviate the financial burden of the 18 per cent GST currently imposed on these services, thereby creating a more level playing field for Indian intermediaries in comparison to their foreign counterparts," a source said. This proposal comes in the light of show-cause notices (SCNs) of Rs 3,357 crore issued to these intermediaries. This may be dropped if the amendment takes effect. In India, many individual and corporate brokers work as brokers or agents in the commodities market, especially related to textiles and leather goods.

So providing the zero-rated benefit will give big relief to them. Experts said online bidding portals like Mjunction, ONDC (Open Network for Digital Commerce) and MSTC would also benefit from the proposed amendment. Vivek Jalan, partner with Tax Connect Advisory Services, said: "Ideally the service of the agent should be treated as export of services under Section 2(6) of the IGST Act and should be zero-rated. However, Section 13(8)(b) of the same Act comes in the way and provides that the place of supply of services of such intermediaries should be the place of the service provider, in India." He added the 18 per cent was an additional burden on these intermediaries because the recipients of such services abroad would not even get input tax credit on such claims. Separately, the law committee has recommended the GST Council simplify providing input tax credit through the recently launched Invoice Management System (IMS), which helps businesses to track GST liabilities. "The current system disregards the challenges of accounting timelines and reconciliation processes. This has led to financial burdens on suppliers who are often compelled to pay GST liabilities for which they are not liable," said Rajat Mohan, senior partner, AMRG & Associates.

(B.S.19/12/2024)

## **Multi-Factor Authentication required for E-Way Bill and E-Invoice generation for all GST assesses from April 1, 2025**

Multi-Factor Authentication (MFA) for using the updated versions of the E-Way Bill and E-Invoice Systems for all assesses will be made mandatory for all taxpayers from April 1 next year, an advisory on GST portal has said. Also, there will be new provisions for restricting the generation of E-Way Bill. “Starting January 1, 2025, MFA will become mandatory for taxpayers with AATO (Aggregate Annual Turnover) exceeding ₹20 crore, from February 1, 2025 for those with AATO exceeding ₹5 crore, and from April 1, 2025 for all other taxpayers and users,” the advisory said. MFA is mandatory for taxpayers with an AATO exceeding ₹100 crore since August 20 last year and optional for those with an AATO exceeding ₹20 crore since September 11, 2023. These changes have been made as the National Information Centre (NIC) will roll out updated versions of the E-Way Bill and E-Invoice Systems effective January 1, 2025. “These updates are aimed at enhancing the security of the portals, in line with best practices and government guidelines,” the advisory said. An E-Way Bill is a document required to be carried by a person in charge of the conveyance carrying any consignment of goods of value exceeding ₹50,000. It is generated from the GST Common Portal for the E-Way Bill system by registered persons or transporters who cause the movement of goods of consignment before the commencement of such movement. As per Rule 48(4) of CGST Rules, the notified class of registered persons have to prepare an invoice by uploading specified particulars of the invoice (in FORM GST INV-01) on the Invoice Registration Portal (IRP) and obtain an Invoice Reference Number (IRN). After following the above ‘invoicing’ process, the invoice copy containing inter alia the IRN (with QR Code) issued by the notified supplier to the buyer is commonly referred to as ‘e-invoice’ in GST.

It is important to note that ‘e-invoice’ in ‘e-invoicing’ doesn’t mean the generation of an invoice by a government portal. The invoice not registered on the portal will not be valid. In such a situation, input tax credit (ITC) on the same cannot be availed by the recipient and will attract applicable penalties. Since August 1, 2023, E-Invoice is mandatory for assesses with AATO of ₹5 crore. New Regulations for E-Way Bill Meanwhile, the advisory said that e-way Bill generation will be restricted to documents dated within 180 days from the date of generation. For instance, documents dated earlier than July 5, 2024, will not be eligible for E-Way Bill generation starting January 1, 2025. Furthermore, the extension of E-Way Bills will be limited to 360 days from their original generation date. For example, an E-Way Bill generated on January 1 next year can only be extended up to December 25, 2025. “Taxpayers are requested to familiarize themselves with these updates and incorporate the necessary adjustments into their compliance processes,” the advisory said. Commenting on the report, Rajat Mohan, Senior Partner at AMRG & Associates said restrictions on E-Way Bill (EWB) generation and extension mark a crucial step towards enhancing compliance and transparency in goods movement. Limiting the generation of EWBs to 180 days from the date of the base document and capping extensions to 360 days will play a vital role in curtailing malpractices. “These measures directly address the misuse of backdating and forward-dating of transactions, which are often exploited for tax evasion, inventory misrepresentation, or delayed GST payments,” he said.

(B.L.18/12/2024)

## **IMPORT/ EXPORT**

### **Exports show resilience in 2024 but the new year may pose fresh challenges**

India's goods exports demonstrated considerable resilience in 2024, bouncing back on the growth track from the negative territory it slipped into last fiscal, despite persistent geopolitical risks and global economic uncertainties. The pick-up in exports, albeit modest, has ignited hopes for the future. This has been fuelled by expectations of interest rate cuts in Western economies that could translate into higher export orders. But the year 2025 could prove to be highly tumultuous.

Factors such as heightened tensions in West Asia, Russia's continued war in Ukraine and US President-elect Donald Trump's warnings on higher import tariffs could pose hurdles for global economic growth and the country's exports. Goods imports by India, too, have gone up this fiscal so far. The slightly higher rate of growth for imports has widened the trade deficit. Since much of the increase is due to higher imports of petroleum and inputs for manufacturing, attempts to curb it would be limited. In fact, Commerce Secretary Sunil Barthwal recently said that India should not be too concerned about its imports rising, as long as its export share continues to grow. So, the big challenge for the government in 2025 on the trade front would be to stay focussed on the export numbers. After suffering a decline of 3.10 per cent in FY 24 (year-on-year) to \$437.07 billion, India's goods exports have showed signs of revival overcoming geopolitical turmoil including the West Asia and Red Sea crisis, and the Russia-Ukraine war disruptions. While goods exports declined in certain months, there has been an overall 3.14 per cent growth to \$252.19 billion overall in the April-October 2024 period.

India's exports to its top five destinations, including the US, the UAE, Netherlands, the UK and Singapore, increased in April-October 2024. The US continued to be India's largest export market in April-October 2024, with exports growing 6.31 per cent to \$47.23 billion. Ironically, it is in the US market that India's biggest challenge for 2025 lies. With Trump's identification of India as a high tariff charging country and threatening of trading partners with reciprocal tariffs, no one is quite sure what the situation in the US market would be in 2025. As Trump's primary target is China, and he is likely to impose much higher tariffs on the country, opportunities may emerge for India. But India's track record of cashing in on opportunities thrown by countries wanting to reduce over-dependence on China has not been good. "India has seen limited success so far in capturing the China Plus One strategy.

Vietnam, Thailand, Cambodia and Malaysia have become bigger beneficiaries of the strategy," a new 'Quarterly Trade Watch' report brought out by NITI Aayog pointed out. Cheaper labour, simplified tax laws, lower tariffs and proactive signing of Free Trade Agreements (FTAs) were some of the reasons identified in the report for the success of the South East Asian countries. India is keen on FTAs, but certain oversights while negotiating some of the recent FTAs, like with the UAE, is now making the Commerce Department go slow. A set of standard operating procedures are now to be followed in future FTAs. Quick-fix FTAs to boost exports with partners such as the EU or the UK, may not be an urgent priority anymore.

(B.L.16/12/2024)

## **Need a paradigm shift in India's e-commerce export ecosystem, says DGFT Sarangi**

Excessive collateral requirements by financial institutions pose a significant barrier for MSMEs seeking institutional finance, Santosh Kumar Sarangi, Director General of Foreign Trade, Ministry of Commerce and Industry has said. This discourages them (Micro, Small and Medium Enterprises) from getting into the export market, Sarangi said at the 4th National Exports Competitiveness Summit 2024 organised by the Confederation of Indian Industry (CII) in the capital. "Through focus on trade finance, trade infrastructure, and export promotion schemes, we are trying to ensure export competitiveness," Sarangi said. He highlighted that e-commerce exports represent a massive untapped opportunity for India. With the right infrastructure, including rapid customs clearance within minutes, India's e-commerce exports could grow to \$ 200–250 billion by 2030, transforming the trade landscape. Paradigm shift Sarangi called for a paradigm shift in India's e-commerce export ecosystem by replicating best practices and creating export hubs with seamless pre-clearance. Furthermore, talking about the importance of branding, Sarangi said, "India must invest in branding and quality certification for its products. Large-scale efforts for branding India's millets, basmati rice, fruits, vegetables, and emerging sectors like medical tourism must be taken to strengthen its export identity". Ajay Bhadoo, Additional Secretary, Department of Commerce, Ministry of Commerce and Industry, underscored the need to prepare for the rising tide of global protectionism by focusing on quality, certifications, and compliance with non-tariff barriers.

"India has immense potential in services exports, which are already growing faster than merchandise exports. Sectors like medical tourism, IT, and professional services hold transformative potential. By focusing on such sectors, India can emerge as a global leader in service exports," said Bhadoo. Meanwhile, addressing a different session at the Summit, Sanjay Kumar Agarwal, Chairman, Central Board of Indirect Taxes & Customs, said that India is no longer just aspiring to be a global export powerhouse but has outlined a clear roadmap to enhance its share in global trade. Transformative initiatives like the Gati Shakti Master Plan and multimodal logistics parks are reducing logistics costs, improving supply chain efficiency, and boosting connectivity, he said. At the same time, the digitization of customs processes, including e-sealing, electronic export orders, and digitized duty refunds, is revolutionising trade facilitation, ensuring transparency, and enabling faster, more efficient clearances for exporters, Agarwal added. At the inaugural session, Sanjay Budhia, Chairman, CII National Committee on EXIM and Managing Director, Patton International Limited said, "Schemes like RoDTEP and the PLI programs have directly enhanced competitiveness. The Towns of Export Excellence Initiative and the Trade Infrastructure for Export Scheme (TIES) also underscore the Government's commitment to strengthening infrastructure and fostering an enabling ecosystem for boosting exports from India."

(B.L.18/12/2024)

## India's exports fall and tariff barriers loom

India's trade data continues to witness sharp fluctuations. In October, merchandise exports grew at a spectacular 17.2 per cent. However, this momentum was not sustained thereafter. As per the latest data from the Ministry of Commerce and Industry, exports contracted by around 5 per cent in November. On the other hand, imports continue to trend upward, surging by 27 per cent in November. As a consequence, the trade deficit has widened to \$37.84 billion — this is significantly higher than the average deficit registered in the first seven months (April-October) of this year. This deterioration suggests that the current account deficit for the full year will be higher than previously expected. The disaggregated data shows that the decline in exports was largely driven by petroleum. Excluding oil, exports grew by 7.7 per cent in November and 7.4 per cent so far this year. Exports of electronic and engineering goods have continued to fare well, growing by 54 per cent and 13.75 per cent respectively in November.

The surge in imports was driven by a staggering rise in gold imports which increased to \$14.9 billion in November compared to \$3.4 billion last year. While some analysts have linked the sharp rise in gold imports to festive and marriage-related demand, so far this year, gold imports are up almost 50 per cent. Other commodity imports have witnessed diverging trends. For instance, crude oil imports picked up in November, after hitting a 12-month low in October, while iron and steel imports fell sharply. The services data accompanying this data release indicates that services exports surpassed merchandise exports in November. However, this data is an estimation and will be revised following RBI's release. The outlook for global trade is marred by uncertainties. US President-elect Donald Trump has already stated his intention to raise tariffs on Mexico, Canada and China. Trump has also criticised India's tariffs, pointing specifically towards the 100 per cent tariff rate for some products. The President-elect is reported to have said on Tuesday that — "India charges a lot. Brazil charges a lot. If they want to charge us, that's fine, but we're going to charge them the same thing." This raises the possibility of Washington imposing reciprocal taxes on Indian products. During the first Trump presidency, India had lost duty free access under the Generalised System of Preferences programme which affected \$5.7 billion worth of exports. Considering the implications of Trump's possible trade moves, India must deftly navigate this period of uncertainty as it negotiates with the Trump administration.

(Indian Express.19/12/2024)

## **CAG highlights misuse risk in capital goods export scheme system**

The Comptroller and Auditor General (CAG) Tuesday flagged the ineffectiveness of the Denied Entity List (DEL) mechanism aimed to make the exporters strictly comply with the conditions of authorizations of the Export Promotion Capital Goods (EPCG) scheme and said that authorizations need to be reviewed as the online system of the Directorate General of Foreign Trade (DGFT) does not check the veracity of the documents submitted. The EPCG scheme allows import of capital goods for pre-production, production and post-production at zero customs duty to produce quality goods and services. Highlighting that DGFT must have a data driven monitoring mechanism for ensuring compliance to the provisions of the foreign trade policy, the CAG said in an audit report: "Issuance of subsequent authorizations without ensuring fulfilment of progress of obligations of earlier authorizations remaining unredeemed must be considered a risk factor".

The non-compliance with the prescribed procedures in case of domestic procurement of capital goods has a risk of availing dual benefit of availing exemption from payment of integrated goods and services tax (IGST) and also importing items duty free, the CAG said. As per the audit report, import of capital goods from ports other than the registered port without adhering to the prescribed procedure in the FTP involves risk of importing them from multiple ports using the same authorization which have revenue implications and also has the risk of misuse of the bonds. "Audit observed that timely realisation of export proceeds were not monitored by DGFT.," it said, adding that the scheme allows duty free imports of capital goods with the intended objective of producing quality goods and services to enhance our manufacturing competitiveness and therefore any delayed, short, non realisation of export proceeds needs to be monitored more effectively by DGFT.

(B.L.18/12/2024)

## **Industry**

### **Textile industry seeks government support to upgrade handloom technology**

The Central and State governments should announce a special scheme to upgrade preparatory processes for hand weavers, said S.K. Sundararaman, chairman of the Southern India Mills' Association (SIMA). Speaking at the inaugural of the annual technology conference of the South India Textile Research Association (SITRA) in Coimbatore on Thursday, he said that a study by SITRA on dyeing and sizing of yarn meant for handloom weaver society in package dyeing machine would benefit the handloom community, who struggled with high-cost production and treatment and disposal of dyeing effluents. There was scope to reduce dyed yarn cost by more than 35%. The study was a solution for the highly primitive warp and weft preparation technology adopted by the handloom sector. The governments should extend yarn subsidy for package dyed yarn to create a win-win situation both for the spinning mills and the handloom sector.

The governments should come out with a special handloom preparatory technology upgradation scheme giving thrust for package dyeing and sizing with zero liquid discharge facilities as recommended instead of conventional hank yarn dyeing. The industry in Tamil Nadu should focus on value added products, particularly technical textiles and high value-added manmade textiles. "We need to consolidate the small and medium textile manufacturers in all the clusters, focus on value-added products and aim at grabbing nominated business of reputed brands. We need to benchmark countries like Italy, Japan, Taiwan, etc., for manufacturing value added and unique textiles and clothing products," he said. According to E. Sathyanarayana, vice-chairman of the council of administration of SITRA, it focused on its three core activities - research, consultancy services, and training during the last one year. It worked on 37 projects of which two were sponsored and the rest were initiated as inhouse projects understanding the current needs of the industry.

Under specific requests from mills, SITRA attended to 141 consultancy assignments on wide areas of specialisation. Over one lakh samples of fibre, yarn and fabric were tested for their physical, chemical, and biological properties. SITRA has obtained approval as a Medical Device Testing Laboratory from the Central Drugs Standard Control Organisation (CDSCO) for 28 medical textile products and two test methods, covering a wide range of medical device classes. During the year, it also signed agreements with eight organisations, he said. Director of Textiles, Tamil Nadu, R. Lalitha and Mission Director, National Technical Textiles Mission (NTTM) Ashok Kumar Malhotra, spoke at the inaugural of the conference.

(The Hindu.20/12/2024)

## **Textile Stocks jump on export hopes**

Stocks of most textile companies rallied on hopes for better export prospects with the unrest in Bangladesh opening up fresh opportunities, despite looming geopolitical concerns and supply chain disruptions. Welspun Living was up six per cent at ₹174 while Himatsingka Seide and Gokuldas Exports increased eight per cent and six per cent to ₹211 and ₹1,037 respectively. Indo count Industries jumped 13 per cent to ₹387. Bombay Dyeing & Manufacturing surged 3.19 per cent to ₹221.25, Ambika Cotton Mills jumped 5.9 per cent to ₹1,690.20, Celebrity Fashions edged up to 8.72 per cent to ₹16.58, and Lambodhara Textiles moved up 17.05 per cent to ₹223.10.

Textiles exports increased 12 per cent in October to \$1.83 billion from the year-ago period. Apparel exports registered 35 per cent year-on-year growth in October due to realignment of the global supply to India amid the prolonged unrest in Bangladesh. Backed by government incentives, some Indian exports have increased their market share in the US and have emerged as a preferred sourcing destination despite global headwinds and disruptions due to ongoing wars. Dr Siddhartha Rajagopal, Executive Director, Cotton Textiles Export Promotion Council, said short-term gains are being reported due to the Bangladesh crisis, especially in the garment segment. Some of the Christmas-season orders meant for Bangladesh seem to be coming India's way with home textiles exports also in positive territory. Overall demand trends are looking up and this fiscal will end on a positive note, he said.

Besides the Bangladesh crisis, textile exporters have also benefited from the free trade agreement (FTA) signed with countries like South Korea, Japan, Australia and Mauritius. Ashutosh Somani, Executive Director, Institutional Equity Research, JM Financials, said the global inventory de-stocking cycle has now come to an end, with Indian players expecting relatively better demand in the second half of this fiscal as retailers gear up for the holiday season. With rising labour costs amidst the China-plus one theme playing out, China has been losing market share across the world with its share in UK alone falling to 19 per cent this year from 27 per cent in 2020, said Somani. The internal turmoil in Bangladesh and high factor costs in Vietnam might play well for Indian exporters, he said. Ongoing wars have disrupted the traditional trade routes adding to the cost burden and this is the appropriate time for the government to support this labour-intensive sector through hand-holding, capacity augmentation, skilling, investment and sustained financial support to this MSME-driven sector, said a textile company executive.

(B.L.10/12/2024)

## **Surat's garment sector set to grow 20-25% as global brands seek stability away from Bangladesh**

Surat's textile industry is experiencing increased attention from both global and local brands as political instability and worker unrest in Bangladesh prompt companies to seek alternative garment suppliers. Industry experts in Surat report receiving a high volume of inquiries for ready-to-wear garment production, which could greatly enhance the sector's growth. Surat's garment sector, currently expanding at 12 percent annually, is expected to see a 20-25 percent growth if these inquiries result in confirmed orders, experts suggest. Textile hubs in Tamil Nadu, Punjab, and Noida are also poised to benefit from this shift, reports Times Now.

Bangladesh, the second-largest exporter of ready-made garments after China, heavily depends on fabric from Surat. However, due to ongoing political instability, law-and-order issues, and unrest among workers, many major brands are now seeking alternatives in Indian manufacturing. "Surat traditionally produces ethnic wear, kurtis, low-priced women's clothing, and some denim. But we are now seeing a significant rise in queries from global brands, which could bring huge benefits to the sector," said Ashish Gujarati, former president of the South Gujarat Chamber of Commerce, reported Times Now. Surat's textile industry currently generates a monthly turnover of Rs 600 crore, primarily from man-made fibres. Other textile hubs, including Tiruppur and Coimbatore in Tamil Nadu, Ludhiana in Punjab, and Noida in Uttar Pradesh, are also expected to benefit from this shift. Gujarati emphasized that while short-term growth is apparent, sustained long-term development will require government support. "With the right backing, India could greatly enhance its standing in garment manufacturing," he remarked. Bangladesh's garment industry is facing pressure due to financial difficulties, resulting in widespread unrest in areas such as Dhaka, Chittagong, Gazipur, and Narayanganj. A recent report from Swedwatch, a Swedish non-profit, shed light on the challenges faced by workers and called on European Union members to implement stricter regulations to safeguard workers' rights.

E.T.8/12/2024)

## **CITI calls for strategic schemes to propel Indian textile & apparel exports to USD 100 by 2030**

The Confederation of Indian Textile Industry (CITI) has called on the government to introduce focused initiatives and policies to drive investment and scale in the Textile and Apparel (T&A) sector. This comes as India sets its sights on an ambitious export target of USD 100 billion by 2030. With key markets such as the USA and the EU poised to play critical roles, CITI emphasized the importance of robust export promotion measures to achieve this vision. CITI Chairman Rakesh Mehra highlighted the significance of the US market, and said, "USA accounts for about 27 per cent of India's T&A exports. During the last 5 years, India's exports to USA have increased at a CAGR of about 3.3 per cent. It would require our exports to grow at a CAGR of about 16 per cent to achieve the visionary target of USD 100 bn exports by 2030." Mehra also pointed out the emerging opportunities stemming from anticipated policy changes in the USA under newly elected President Donald Trump. "The newly elected President of the USA, Trump, is likely to announce additional tariffs on Chinese products as one of his initial measures upon taking office. Since China is a major supplier of T&A products to the USA, this tariff shift presents a unique opportunity for India to expand its share in the US market," he explained. To capitalize on this opportunity, CITI underscored the need for strategic marketing efforts to enhance India's presence in the US market. These include hosting trade exhibitions, organizing buyer-seller meetings, and building partnerships with US retailer associations. "Enhancing our visibility and presence in the US market through these targeted efforts will be crucial for tapping into this potential," Mehra added.

CITI also stressed the importance of policy support to sustain the cost competitiveness of Indian T&A products. The organization urged the government to extend key schemes like the Interest Equalization Scheme (IES) and the Remission of Duties and Taxes on Exported Products (RoDTEP) for AA/SEZ and EoU units, which are set to expire on December 31, 2024. Additionally, CITI advocated for income tax relief for MSME manufacturing units within the textile sector to ensure sustainable growth. "These policy interventions, combined with focused initiatives aimed at key export markets like the USA, will strengthen India's overall export strategy and enhance the global competitiveness of the Indian textile industry," Mehra concluded. (ANI)

(E.T.30/12/2024)

## **Cotton**

### **India's cotton imports up three-fold till Nov-end at 9 lakh bales**

India's cotton imports witnessed a three-fold jump in the first two months of the 2024-25 season, which started in October. Imports of the fibre crop till November-end stood at 9 lakh bales (170 kg each), as per the Cotton Association of India's latest data. In the same period last year, cotton imports stood at 3 lakh tonnes. Taking advantage of the low global prices during August-September, Indian millers had contracted for cotton imports, which landed during October-November. Atul Ganatra, Chairman, CAI, said shipments of around 4.5 lakh bales that were contracted during September got delayed and came in October. Till November end, about 9 lakh bales are estimated to

have arrived at the Indian ports. CAI has estimated that cotton imports into the country during 2024-25 at 25 lakh bales, up from 15.20 lakh bales in the 2023-24 season. The increase in imports is largely attributed to lower global prices, a decline in domestic crop size on account of a drop in acreage besides due to the adverse weather influencing the output and quality in various States. Low production Cotton production during 2024-25 is projected lower by 7 per cent at 302.25 lakh bales over 325.29 lakh bales the previous year. Cotton prices have been on a bearish trend in the domestic market despite a lower crop on muted demand from mills and also tracking the global price trend. With prices ruling below the minimum support price levels, the state-run Cotton Corporation of India has been the biggest buyer of the fibre crop with purchases exceeding 31 lakh bales till mid-December. CAI has maintained the pressing estimate for the 2024-25 season at 302.25 lakh bales. Total supply till November end was estimated at 108.41 lakh bales consisting of opening stocks of 30.19 lakh bales, imports of 9 lakh bales and pressing figures of 69.22 lakh bales. Cotton consumption till November-end is estimated at 54 lakh bales, marginally higher than the

same period last year's 53 lakh bales. Consumption for 2024-25 is seen at 313 lakh bales. Exports till November end this year stood at 4 lakh bales, up by a fourth over 3 lakh bales last season. However, the exports for the 2024-25 season are estimated at lower at 18 lakh bales, down 10.36 lakh bales or 36 per cent over 28.36 lakh bales last season. The stocks till end of end of November were estimated at 50.41 lakh bales. This includes 28.41 lakh bales with textiles mills and remaining 22 lakh bales with Cotton Corporation of India, Maharashtra Federation and others including MNCs, traders and ginners. CAI has retained its total supply for the 2024-25 season till end September 2025 at 357.44 lakh bales, consisting of opening stocks of 30.19 lakh bales, pressing number for the season at 302.25 lakh bales and imports for the season estimated at 25 lakh bales.

(B.L.18/12/2024)

### **Compared to 2021-22, India's cotton textile exports decline by 29%**

India exported \$12258 million worth of cotton textiles in 2023-24, a decline of almost 29 percent when compared to the export figures of 2021- 22, States data tabled in the Rajya Sabha during the ongoing winter session. Compared to the \$17166 million worth of exports clocked in 2021-22, the quantum of cotton fabrics and madeups exported from India during 2023- 24 fell by 19 percent, while cotton yarn saw a decline of 31 percent the same year, states data provided by Minister of State Pabitra Margherita as part of a written reply provided to a question asked by MP Parimal Nathwani. The exports of raw cotton too declined by 60 percent. However, the exports of other textile yarns and madeups during 2023-24 saw an increase of 12 percent. From a high of \$17166 million in 2021-22, India's exports had plummeted to \$11085 million in 2022-23. Thereafter, the next fiscal the value of exported goods rose by 11 percent. United States, Bangladesh, China, Sri Lanka and UAE are some of the markets where Indian cotton textiles get exported to. Gujarat, which accounts for almost 30 percent of India's cotton textile exports saw exports dip from a high of \$4760 million in 2021-22 to \$3615 million in 2023-24.

In cotton production, Gujarat leads major states with the State crossing a production of 90 lakh bales of 170 kilograms each during the period between October-September 2023-24. Between 2021-22 and 2023-24, Gujarat saw a 20 percent rise in cotton production. In comparison, Maharashtra, the second largest cotton producer saw production decline by two percent to 80 lakh bales in 2023-24. Telangana stood a distant third with 51 lakh bales during the October-September 2023-24 period. In the written reply, the government stated that for boosting exports it is implementing a scheme for Rebate of State and Central Taxes and Levies (RoSCTL) on exports of Apparel/Garments and Made-ups.

Further, textiles products not covered under the ROSCTL are covered under Remissions of Duties and Taxes on Exported Products (RoDTEP) along with other products. The ministry is also supporting Export Promotion Councils/Associations in organising a Mega Textile Show i.e. BHARAT TEX 2025 in February, 2025 to showcase the strength of the Indian textiles value chain, highlighting the latest progress/innovations/trends in textile & fashion Industry and positioning India as the most preferred destination for sourcing and investment in the textile sector. India has also signed 14 Free Trade Agreements (FTAs) and 6 Preferential Trade Agreements (PTAs) with various trading partners, which would ease access to global markets in the integrated cotton textile value chain. The government also stated that ICAR-Central Institute for Cotton Research (CICR), Nagpur, under the Ministry of Agriculture & Farmers Welfare, along with AICRP on Cotton, focuses on developing improved cotton varieties and agro-technologies. Over the past decade, 333 cotton varieties have been released, including 191 non-Bt and 142 Bt cotton varieties.

(B.L.17/12/2024)

## INFLATION

The annual rate of inflation based on all India Wholesale Price Index (WPI) number is 2.37% (provisional) for the month of December, 2024 (over December, 2023). Positive rate of inflation in December, 2024 is primarily due to increase in prices of food articles, manufacture of food products, other manufacturing, manufacture of textiles and non-food articles etc. The index numbers and inflation rate for the last three months of all commodities and WPI components are given below:

Index Numbers and Annual Rate of Inflation (Y-o-Y in %)*							
All Commodities/Major Groups	Weight (%)	Oct-24(F)		Nov-24(P)		Dec-24 (P)	
		Index	Inflation	Index	Inflation	Index	Inflation
All Commodities	100.0	156.7	2.75	156.0	1.89	155.4	2.37
I. Primary Articles	22.62	200.6	8.26	197.9	5.49	193.8	6.02
II. Fuel & Power	13.15	148.8	-4.31	147.1	-5.83	149.9	-3.79
III. Manufactured Products	64.23	142.9	1.78	143.0	2.00	143.0	2.14
Food Index	24.38	202.2	12.15	200.3	8.92	195.9	8.89

Note: P: Provisional, \*Annual rate of WPI inflation calculated over the corresponding month of previous year

## **Primary Articles (Weight 22.62%)**

The index for this major group decreased by 2.07% to 193.8 (provisional) in December, 2024 from 197.9 (provisional) for the month of November, 2024. Price of food articles (-3.08%) and crude petroleum & natural gas (-2.87%) decreased in December, 2024 as compared to November, 2024. The Price of non-food articles (2.53%) and minerals (0.48%) increased in December, 2024 as compared to November, 2024.

## **Fuel & Power (Weight 13.15%)**

The index for this major group increased by 1.90% to 149.9 (provisional) in December, 2024 from 147.1 (provisional) for the month of November, 2024. Price of electricity (8.81%) and coal (0.07%) increased in December, 2024 as compared to November, 2024. The price of mineral oils (-0.06%) decreased in December, 2024 as compared to November, 2024.

## **Manufactured Products (Weight 64.23%)**

The index for this major group was 143.0 in December, 2024 (provisional), same as that in the month of November, 2024 (provisional). Out of the 22 NIC two-digit groups for manufactured products, 11 groups witnessed an increase in prices, 9 groups witnessed a decrease in prices and 2 groups witnessed no change in prices. Some of the important groups that showed month-over-month increase in prices were manufacture of textiles; fabricated metal products, except machinery & equipment; other non-metallic mineral products; motor vehicles, trailers & semi-trailers; chemicals & chemical products, etc. Some of the groups that witnessed a decrease in prices were manufacture of basic metals; food products; machinery & equipment; furniture; other manufacturing, etc. in December, 2024 as compared to November, 2024.

## **WPI Food Index (Weight 24.38%)**

The Food Index consisting of 'food articles' from primary articles group and 'food product' from manufactured products group decreased from 200.3 in November, 2024 to 195.9 in December, 2024. The annual rate of inflation based on WPI Food Index decreased from 8.92% in November, 2024 to 8.89% in December, 2024.

## **Final Index for the month of October, 2024 (Base Year: 2011-12=100)**

For the month of October, 2024, the final Wholesale Price Index and inflation rate for 'All Commodities' (Base: 2011-12=100) stood at 156.7 and 2.75% respectively.

## Exchange Rates (Average)

Yearly / Monthly	1 US \$	1 UK POUND	1 EURO	1 YEN
2013	58.63	91.83	77.94	60.1
2014	61.03	100.56	81.09	57.76
2015	66.60	99.93	72.46	54.67
2016	67.21	91.14	74.37	61.95
2017	65.12	83.87	73.50	58.03
2018	68.38	91.23	80.71	61.92
2019	70.41	89.84	78.83	64.56
2020	73.70	94.44	84.03	68.94
2021	74.18	101.57	87.49	67.41
2022	78.79	97.01	82.72	60.04
2023	82.96	103.14	89.70	59.19
Jan-2024	83.12	105.60	90.76	57.06
Feb-2024	82.96	104.79	89.55	55.27
Mar-2024	82.99	105.53	90.26	55.42
Apr-2024	83.41	104.38	89.44	54.21
May-2024	83.39	105.30	90.10	50.87
Jun-2024	83.47	106.16	89.89	52.86
Jul-2024	83.59	107.37	90.59	52.92
Aug-2024	83.88	108.57	92.41	57.39
Sept-2024	83.81	110.74	93.07	58.58
Oct-2024	84.03	109.65	91.57	56.06
Nov-2024	84.36	107.57	89.63	54.94
Dec-2024	84.99	107.48	88.86	55.36

(Source:- fbil.org.in)

## PRODUCTION OF MAN-MADE FIBRE / YARN - FINANCIAL YEAR

(Qty.in Metric ton)

	2016-17	2017-18	2018-19	2019-2020	2020-2021	2021-2022	2022-23	2023-2024(P)
Polyester Filament Yarn/POY/Tex.Yarn	3317000	3500000	3564750	3649740	3159000	3567000	4021000	4293000
Polyester Staple Fibre/Tow/Tops	1424000	1500000	1610000	1619990	1500000	1650000	1760000	1813000
Acrylic Staple Fibre/Tow/Tops	96358	93213	105000	115000	70000	83000	95000	96000
Nylon Filament Yarn Mono/Multi/Crimp	105000	105000	110000	125000	110000	144000	211000	212000
Nylon Tyre Cord Fabric	96000	93000	96000	83000	92000	110500	85000	86000
Polypropylene Filament Yarn/Tex	11441	10891	11000	12000	12603	13000	13000	20000
Polypropylene Staple Fibre/Tow/Tops	3645	3483	3495	4000	4000	2000	2000	2000
<b>Total Synthetic Fibre / Yarn</b>	<b>5053444</b>	<b>5305587</b>	<b>5500245</b>	<b>5608730</b>	<b>4947603</b>	<b>5569500</b>	<b>6187000</b>	<b>6522000</b>
Viscose Filament Yarn	45981	47373	47565	47000	47000	60000	57000	60000
Regular Viscose Staple Fibre	364990	499000	542000	566000	437000	639000	759000	783000
<b>Total Cellulosic Fibre / Yarn*</b>	<b>410971</b>	<b>546373</b>	<b>589565</b>	<b>613000</b>	<b>484000</b>	<b>699000</b>	<b>816000</b>	<b>843000</b>
<b>Total Man-made Fibre / Yarn*</b>	<b>5464415</b>	<b>5851960</b>	<b>6089810</b>	<b>6221730</b>	<b>5431603</b>	<b>6268500</b>	<b>7003000</b>	<b>7365000</b>

P = These figures are provisional \* includes all variants

Source : Internal Source with our members

**MONTHWISE PRODUCTION, DELIVERIES & STOCK OF NFY & PFY**  
All Variants

(Tonnes)

Year &	Nylon Filament Yarn			Polyester Filament Yarn		
Month	Production	Delivery	Avg.Stock	Production	Delivery	Avg.Stock
<b>2022</b>						
January	15,642	14,613	33,730	2,62,068	2,65,483	1,04,016
February	15,485	14,759	34,456	2,71,241	2,68,138	1,07,119
March	15,640	14,906	35,189	2,69,516	2,66,797	1,09,837
April	15,796	15,503	35,483	2,68,169	2,69,465	1,08,540
May	15,954	15,658	35,780	2,65,487	2,68,118	1,05,909
June	16,114	15,814	36,079	2,68,142	2,65,437	1,08,614
July	16,275	15,972	36,382	2,70,823	2,70,746	1,08,692
August	15,950	16,132	36,199	2,78,948	2,76,161	1,11,479
September	15,631	16,293	35,536	2,87,316	2,84,445	1,14,350
October	15,318	16,456	34,398	2,93,063	2,90,134	1,17,278
November	15,012	16,621	32,789	2,98,924	2,95,937	1,20,265
December	15,762	16,787	31,764	3,04,902	3,01,856	1,23,312
<b>2023</b>						
January	15,920	16,955	30,728	3,11,000	3,10,911	1,23,401
February	16,079	17,125	29,682	3,17,220	3,14,021	1,26,601
March	16,883	17,125	29,441	3,35,880	3,20,239	1,42,243
April	16,714	17,296	28,859	3,32,521	3,26,644	1,32,478
May	16,881	17,210	28,530	3,29,196	3,42,976	1,32,705
June	17,050	17,262	28,318	3,25,904	3,39,546	1,12,959
July	17,391	17,296	28,413	3,22,645	3,36,151	1,13,095
August	17,304	17,348	28,369	3,19,419	3,32,789	1,13,230
September	17,477	17,383	28,464	3,16,224	3,29,461	1,13,364
October	17,565	17,400	28,628	3,16,288	3,26,167	1,16,722
November	17,740	17,418	28,951	3,13,125	3,32,690	1,07,036
December	17,652	17,452	29,150	3,09,993	3,29,363	1,07,231
<b>2024 (P)</b>						
January	18,181	17,592	29,740	3,10,086	3,26,070	1,10,618
February	18,363	18,119	29,983	3,06,986	3,22,809	1,10,778
March	18,547	18,471	29,815	3,03,916	3,16,353	1,14,164
April	18,556	18,481	29,890	3,13,033	3,03,699	1,13,022
May	18,565	18,490	29,965	3,19,294	3,03,850	1,11,892
June	18,574	18,499	30,041	3,25,680	3,04,002	1,10,773
July	18,576	18,508	30,109	3,32,193	3,04,154	1,09,666
August	18,586	18,518	30,177	3,42,159	3,04,306	1,08,569
September	18,595	18,527	30,245	3,49,002	3,04,459	1,10,740
October	18,600	18,536	30,309	3,55,982	3,04,611	1,11,848
November	18,610	18,545	30,373	3,63,102	3,04,763	1,11,960
December	18,613	18,555	30,432	3,73,995	3,04,915	1,10,840

Source : Internal Source With Our Members P = These figures are provisional

**MONTHWISE PRODUCTION, DELIVERIES & STOCK OF PSF & ASF**  
**All Variants**

(Tonnes)

Year & Month	Polyester Staple Fibre			Acrylic Staple Fibre		
	Production	Delivery	Avg.Stock	Production	Delivery	Avg.Stock
<b>2022</b>						
January	1,19,453	1,20,233	85,667	6602	6608	3429
February	1,18,258	1,19,030	84,895	6536	6542	3422
March	1,12,345	1,15,459	81,781	6536	6608	3350
April	1,14,592	1,14,305	82,069	6470	6542	3279
May	1,20,322	1,18,877	83,514	6470	6476	3273
June	1,19,119	1,18,877	83,755	6406	6412	3267
July	1,17,928	1,17,688	83,995	6406	6347	3325
August	1,15,581	1,16,511	82,124	6342	6221	3503
September	1,13,281	1,14,193	80,291	6278	6097	3803
Oct	1,12,148	1,13,051	79,388	6215	6036	3982
October	1,11,026	1,11,920	78,494	6215	5976	4221
September	1,09,916	1,09,682	78,729	6153	6574	3801
October	1,08,817	1,09,682	77,864	6153	6376	3578
November	1,07,729	1,08,585	77,008	6092	6313	3357
December	1,06,652	1,07,499	76,160	6092	6249	3199
<b>2023</b>						
January	1,05,585	1,06,424	75,321	6,031	6,124	3,105
February	1,04,529	1,05,360	74,490	5,970	6,002	3,073
March	1,06,641	1,04,296	76,835	6,091	6,030	3,133
April	1,15,172	1,14,726	77,282	6,578	6,332	3,380
May	1,22,083	1,21,609	77,755	7,039	6,838	3,581
June	1,30,628	1,31,338	77,046	6,968	6,906	3,642
July	1,28,016	1,30,024	75,037	7,456	7,321	3,778
August	1,38,257	1,35,225	78,069	7,680	7,906	3,551
September	1,45,170	1,46,044	77,195	7,987	8,223	3,316
October	1,53,880	1,53,346	77,730	7,747	7,812	3,251
November	1,55,419	1,56,413	76,736	8,290	8,124	3,417
December	1,61,636	1,61,105	77,267	8,787	8,611	3,593
<b>2024 (P)</b>						
January	1,69,717	1,69,160	77,824	8,699	8,784	3,508
February	1,71,415	1,70,852	78,387	8,960	9,047	3,421
March	1,67,986	1,70,937	77,247	8,512	8,323	3,610
April	1,64,627	1,71,023	77,285	8,427	8,240	3,612
May	1,61,334	1,71,108	77,324	8,343	8,158	3,576
June	1,59,721	1,74,530	77,363	8,259	8,076	3,540
July	1,60,519	1,74,618	77,401	8,177	8,077	3,540
August	1,58,914	1,76,364	77,440	8,095	8,078	3,541
September	1,57,325	1,76,452	77,479	8,014	8,079	3,541
October	1,58,898	1,76,540	77,518	8,018	8,079	3,542
November	1,58,867	1,76,629	77,556	8,022	8,080	3,542
December	1,58,851	1,76,717	77,595	8,026	8,081	3,542

P = These figures are provisional

Source:- Internal Source with Our Members.

**MONTHWISE PRODUCTION, DELIVERIES AND CLOSING STOCK OF  
VISCOSE FILAMENT YARN, REGULAR VISCOSE STAPLE FIBRE**

(Tonnes)

Year & Month	Viscose Filament Yarn			Regular Viscose Staple Fibre		
	Production	Delivery	Avg.Stock	Production	Delivery	Avg.Stock
<b>2022</b>						
January	5503	5567	3752	53330	53493	15514
February	5613	5511	3854	53863	52958	16419
March	5669	5622	3901	54402	54028	16792
April	5726	5731	3895	55490	55109	17173
May	5669	5674	3890	54380	54006	17547
June	5612	5617	3884	55468	56707	16308
July	5668	5674	3879	56022	55573	16757
Aug	5725	5730	3873	55462	54461	17758
September	5667	5616	3925	56571	56640	17690
October	5724	5672	3977	56006	56073	17622
November	5781	5729	4030	55803	55513	17913
December	5724	5786	3968	56361	57733	16541
<b>2023</b>						
January	5781	5728	4020	55234	54846	16928
February	5723	5785	3958	56339	56492	16775
March	6009	5727	4240	58592	54298	21223
April	5949	5956	4233	60350	62443	19130
May	6099	6520	4219	59108	60814	17759
June	5889	6016	4107	62764	63067	18827
July	6038	6455	3802	58517	60206	16070
August	5831	6076	3861	63391	63698	18520
September	5978	5939	3842	61442	59603	17909
October	5772	6015	3619	65927	66246	18202
November	5918	5879	3881	64514	64372	18051
December	5830	5654	3794	65268	65583	17886
<b>2024 (P)</b>						
January	5947	5880	3861	64615	64927	17574
February	5887	5939	3809	68492	68823	17243
March	5931	5880	3860	67807	67525	17525
April	5932	5881	3861	67821	67531	17527
May	5935	5884	3863	67855	67565	17536
June	5938	5887	3865	67888	67599	17545
July	5941	5890	3867	67922	67633	17553
August	5944	5893	3869	67956	67666	17562
September	5947	5896	3870	67990	67700	17571
October	5950	5899	3872	68024	67734	17580
November	5953	5902	3874	68058	67768	17588
December	5956	5904	3876	68092	67802	17597

P = These figures are provisional

Source:- Internal Source with Our Members.

## PRODUCTION OF SPUN YARN

(Mn. Kgs.)

YEAR	COTTON	BLENDED	100% N.C.	TOTAL
<b>2022</b>				
January	346.32	97.32	54.17	497.81
February	350.32	98.25	55.20	503.77
March	318.40	92.20	53.30	463.90
April	316.11	95.01	54.17	465.29
May	302.54	95.46	54.17	452.17
June	284.34	94.25	54.17	432.76
July	269.47	94.15	54.17	417.79
August	254.25	92.65	54.17	401.07
September	249.28	90.30	54.17	393.75
October	245.20	86.94	54.17	386.31
November	282.16	92.68	54.17	429.01
December	304.93	89.38	54.17	448.48
<b>2023</b>				
January	306.71	88.01	54.17	448.89
February	298.77	84.23	54.17	437.17
March	323.80	90.48	54.17	468.45
April	314.02	91.47	54.17	459.85
May	314.13	89.67	54.17	457.97
June	313.64	89.02	54.17	456.83
July	316.18	91.18	54.17	461.53
August	316.38	91.17	54.17	461.72
September	312.90	88.52	54.17	455.59
October	315.71	90.43	54.17	460.31
November	298.41	83.48	54.17	439.83
December	317.93	91.77	54.17	463.87
<b>2024</b>				
January	314.84	92.42	54.17	461.43
February	308.50	85.92	54.17	448.59
March	316.18	91.14	54.17	461.49
April	307.00	88.23	54.17	449.40
May	312.00	90.46	54.17	456.63
June	310.54	91.93	54.17	456.64
July	313.81	93.36	59.04	466.21
August	313.94	93.19	56.54	463.67
September	310.97	92.56	57.42	460.95
October	313.43	92.09	57.62	463.14
November	306.74	88.11	55.34	450.19

Source : Textile Commissioner's Office

## IMPORT OF TEXTILE ITEMS

(Qty in tonne)

(Value in Rs. Lakh)

Items	2017-18		2018-19		2019-2020		2020-2021		2021-2022		2022-23		2023-24	
	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value
ACETATE FILAMENT YARN	135.07	273.13	23	86.04	0.98	12.57	341.07	1330.7	15.98	76.77	0.30	0.78	306.51	662.31
ACETATE STAPLE FIBRE	25.99	49.34	3.25	6.53	62.21	118.93	9.53	81.40	44.08	555.62	846.69	1836.33	0	0
ACRYLIC FILAMENT YARN	0.1	1.09	0.53	4.16	11.25	6.07	12.03	50.18	21.40	16.84	0.31	1.12	0.31	1.12
ACRYLIC STAPLE FIBRE	28531.17	39743.88	35801.24	59379.5	50311.25	70844.23	37586.94	45134.91	31390.93	65301.66	22367.07	45568.40	12810.85	17964.86
CUPROMINUM FILAMENT YARN	4139.44	35622.6	3982.85	39938.9	3629.32	38037.86	2427.87	26270.16	3159.41	35163.68	3128.77	35543.58	3043.51	41074.09
NYLON FILAMENT YARN	20345.13	46346.78	21331.64	78578.48	22696.64	42126.85	2021.22	7599.11	2895.03	12711.26	37400.42	14817.52	27624.81	55032.14
NYLON STAPLE FIBRE	6336.44	17982.57	833.19	2981.19	804.04	4612.73	571.01	5581.78	402.33	2773.68	5998.52	36647.4	395.42	1460.57
OTHER ARTIFICIAL FIBRE	12159.37	24556.92	18683.16	38742.37	21973.51	42137.64	17716.17	33306.44	19871.45	45904.87	37594.95	99038.27	30303.7	110232.77
OTHER RAYON YARN	24.35	195.67	0.000	0.000	0.000	0.000	0.00	0.00	0.00	0.00	30.51	361.94	47.49	487.66
OTHER SYNTHETIC FIBRE	3270.58	5485.86	87.13	224.59	117.27	317.72	125.88	244.39	78.58	259.09	77.41	333.96	36.7	145.33
OTHER SYNTHETIC YARN	2295.99	12849.84	4738.36	23905.45	6632.57	31840.85	5408.14	23731.01	8984.11	39761.85	2669.61	18646.58	3045.83	18962.93
POLYESTER FILAMENT YARN	80882.32	94106.89	81880.03	110693	112480.69	122008.17	14915.73	18721.67	19479.38	31164.77	482608.84	522204.85	488920.66	493215.75
POLYESTER STAPLE FIBRE	88989.94	71053.34	91158.9	89684.85	118176.35	94729.11	84272.77	64616.31	78310.11	78489.30	95480.39	95659.59	54706.85	54634.95
POLYPROPYLENE FILAMENT YARN	2760.74	4321.83	1401.94	2007.25	670.41	953.52	754.54	1417.86	314.72	974.70	164.38	1092.34	263.36	391.06
POLYPROPYLENE STAPLE FIBRE	3394.87	3553.29	3360.92	3862.83	2777.54	3096.78	2164.36	2316.000	2985.92	4218.000	4771.4	6184.79	7222.29	8171.78
VISCOSE FILAMENT YARN	13644.4	51909.24	14055.92	67517.28	22302.74	101165.8	22684.61	93534.51	40319.65	172042.92	52287.92	271815.65	53311.35	279389.13
VISCOSE STAPLE FIBRE	34017.4	59595.27	37792.24	67376.73	54409.66	79722.08	23.46	161.78	17.43	76.27	49.15	267.18	71.93	299.65

Source : Ministry of Commerce and Industry

## MONTHWISE IMPORT OF SYNTHETIC FIBRES

All variants

Quantity in tonnes/Value in lakh rupees

MONTH	NYLON FIBRE/ TOW/TOPS		POLYESTER FIBRE/TOW/TOPS		ACRYLIC FIBRE/ TOW/TOPS	
	QUANTITY	VALUE	QUANTITY	VALUE	QUANTITY	VALUE
<b>2022</b>						
January	23.46	80.53	6784.31	6868.15	3115.96	6931.61
February	0.26	4.41	6393.01	6856.12	1967.69	6963.31
March	0.06	6.08	6215.78	6533.42	1040.79	2714.39
April	15.42	85.63	5685.29	6395.73	1986.47	3645.2
May	13.7	89.65	5244.56	4816.52	1657.48	3535.27
June	23.56	111.97	6990.37	7843.72	1347.72	3253.58
July	25.13	90.95	6085.45	6646.42	1928.16	4505.65
August	19.34	103.1	9128.4	9998.39	1352.19	3252.47
September	57.97	320.97	9439.29	9668.14	974.29	1838.68
October	17.68	104.46	5921.21	5960.76	1311.27	2518.84
November	32.51	207.42	7146.92	7000.61	2051.49	4190.09
December	28.4	151.44	9779.84	8892.5	2357.95	4522.66
<b>2023</b>						
January	14.02	56.3	6757.94	6101.19	2182.53	4302.07
February	39.31	153.5	8488.54	7326.26	2701.72	5324.66
March	30.28	189.25	12468.18	11003.47	2515.73	4679.21
April	38.85	132.74	4304.38	3833.09	907.59	1194.02
May	46.26	208.2	2714.98	2587.61	1210.27	1738.07
June	12.6	56.51	2345.57	2488.97	872.06	1295.62
July	41.27	166.49	3632.46	3708.23	1920.7	3077.6
August	11.92	48.27	5447.53	5537.03	1501.25	2132.69
September	74.39	248.31	4890.33	4735.04	1097.7	1501.64
October	9.71	31.45	4410.57	4387.16	1163.9	1380.17
November	23.64	95.82	5321.18	5246.74	531.36	685.32
December	36.72	150.85	4386.56	4340.83	979.82	1317.96
<b>2024</b>						
January	54.42	157.01	5038.47	5019.56	868.05	1223.07
February	33.12	104.74	4892.38	4718.09	412.34	440
March	12.54	60.17	5439.99	5421.58	1348.95	1961.35
April	34.59	166.22	5244.59	5285.29	474.29	676.29
May	42.15	167.79	3885.67	3987.37	757.94	791.41
June	46.1	146.5	6244.03	6062.78	1002.36	1376.33
July	30.43	107.50	5442.43	5686.05	6115.18	6624.86
August	44.52	216.81	4758.80	5149.87	1396.72	1859.32
September	62.37	215.34	4434.61	4694.33	570.28	849.54
October	71.88	270.14	7599.29	7502.48	1629.17	2400.89

Sources : Ministry of Commerce and Industry

## MONTHWISE IMPORT OF SYNTHETIC FILAMENT YARNS

All variants

(Quantity in Tonnes/Value in Lakh Rupees)

Year &	N.F.Y		P.F.Y.	
Month	Quantity	Value	Quantity	Value
<b>2022</b>				
January	1694.1	3972.51	18773.57	24279.86
February	1327.96	3398.44	15811.01	20693.09
March	2031.5	4902.02	16681.62.	22289.67
April	3007.55	7032.79	20984.83	27095.29
May	2603.98	5859.51	19007.96	23852.69
June	2864.54	6600.63	36888.67	43636.47
July	3672.31	8274.66	36139.12	44048.35
August	3164.66	7428.64	30622.59	38311.53
September	3512.56	7597.86	25501.85	30896.55
October	3416.97	6806.48	31631.74	36679.05
November	2387.46	5055.06	42459.59	46166.56
December	3003.21	5624.75	42191.67	42917.17
<b>2023</b>				
January	3025.47	5325.47	62086.1	58723.78
February	2072.85	3622.87	46787.25	44244.31
March	4668.13	7770.8	88335.78	85633.12
April	1869.81	3450.38	19221.67	21007.18
May	2564.04	4810.64	51925.34	51734.88
June	1506.33	2906.26	81542.43	80174.54
July	2920.45	5396.1	38246.28	39966.55
August	2725.57	5216.58	28832.96	28986.56
September	2463.18	4622.41	108120.04	101440.03
October	2347.40	5132.17	58294.93	58398.91
November	2423.70	4935.35	12615.34	15264.32
December	1693.64	3827.98	23528.09	24721.19
<b>2024</b>				
January	2409.67	4643.90	33686.56	34091.3
February	2096.04	4749.59	14242.12	15092.55
March	2605.63	5340.77	18664.91	19303.93
April	1777.80	3739.14	11633.41	14722.03
May	2042.60	4557.63	14325.57	16294.06
June	2730.14	5777.30	18184.96	23451.96
July	2582.79	4754.47	22385.5	29335.45
August	5057.00	10830.55	17242.33	23727.67
september	3425.61	7535.66	15624.40	21498.14
October	4278.44	8686.57	21022.37	25701.37

Sources : Ministry of Commerce and Industry

## IMPORT OF RAW MATERIALS

(Quantity in Tonnes/Value in Lakh Rupees)

	2018-19		2019-2020		2020-2021		2021-2022		2022-23		2023-24	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Caprolactam	66496.63	99335.96	68048.63	75256.29	57649.23	55552.67	60060.82	94382.42	22757.30	36651.84	20987.30	29435.45
D. M. T	1454.56	1136.91	1807.000	1199.37	1766.29	982.39	1972.76	1566.74	1933.54	2216.65	1510.20	1952.36
M. E. G.	634713.81	371591.92	787573.88	312148.52	621220.94	226285.95	917786.56	471777.46	1500811.50	666600.40	1102661.38	462698.43
P. T. A.	569755.81	340774.12	886358.44	470167.19	625460.06	245628.5	1471141.63	847399.84	1596467.38	1168376.53	1623242.00	1094477.36

Sources : Ministry of Commerce and Industry

## MONTHWISE IMPORT OF RAW MATERIALS

(Quantity in Tonnes/Value in Lakh Rupees)

Year & Month	Caprolactam		D.M.T.		M. E. G.		P. T. A.	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
<b>2022</b>								
January	3054.00	4901.53	223.81	208.90	103580.40	49569.56	167278.00	98449.16
February	3249.00	5083.66	152.35	143.66	71134.92	32558.57	92092.10	52444.30
March	2031.00	3166.61	100.20	87.73	98449.39	52018.03	164639.01	91253.37
April	4688.30	7839.90	193.18	187.91	117664.06	63698.21	122053.40	89179.81
May	1803.00	3237.90	366.41	408.97	128913.24	65498.39	214529.01	163276.63
June	2525.00	4645.45	36.00	45.49	95128.56	45712.48	153887.89	119421.70
July	2023.00	3736.15	172.00	196.92	99864.70	48257.97	164755.65	134697.31
August	1483.00	2646.55	214.00	265.76	114091.26	49840.71	127988.76	107827.14
September	1864.00	3111.45	190.37	215.16	113134.58	44287.45	88735.46	70576.56
October	992.50	1488.40	51.50	56.4	98,469.47	40,084.53	122521.38	86031.85
November	2742.50	4075.41	73.01	100.27	167884.27	68988.59	103613.13	72318.31
December	880	1151.42	257.74	296.78	198878.42	78049.5	130566.03	88696.87
<b>2023</b>								
January	506.00	687.85	181.33	201.78	104453.32	45505.63	100811.46	63624.11
February	2000.00	2421.01	126.00	150.92	118934.96	51326.57	99718.13	62116.69
March	1250.00	1610.34	72.00	90.29	143434.70	66766.73	170182.54	112195.93
April	1756.00	2676.30	72.00	94.42	92190.27	40588.97	172348.27	111607.34
May	1250.00	1765.68	144.00	196.41	88339.19	37706.53	148949.26	99807.15
June	1282.00	1695.43	72.00	97.37	78410.74	33404.83	170661.67	117493.31
July	1500.00	1804.10	154.00	196.36	69681.76	29878.02	123253.67	81890.75
August	2726.00	3985.53	95.70	137.19	110363.01	43928.01	77872.27	49430.45
September	1517.00	2608.89	152.00	187.73	103056.54	41803.52	112737.09	78389.36
October	1509.30	1924.76	80.00	96.27	82361.84	34055.34	131238.09	93250.03
November	2640.00	3570.90	92.00	120.20	108961.30	44763.66	109934.89	79575.80
December	2504.00	3398.44	304.00	386.67	89870.38	36072.07	169352.74	113912.65
<b>2024</b>								
January	975.00	1303.26	96.50	122.68	98101.95	40120.90	131486.60	86025.12
February	1304.00	1757.34	54.00	72.86	88462.89	38978.35	125667.09	82337.00
March	2024.00	2944.81	194.00	244.35	91892.21	41391.54	149740.32	100692.62
April	4275.10	6123.47	192.00	250.87	79725.15	36406.11	111923.94	75783.42
May	7134.80	10881.89	344.00	497.64	79935.45	35694.56	123983.54	85414.79
June	6452.90	9461.83	140.00	152.48	104518.97	46193.52	115174.94	79938.81
July	5136.70	7623.90	96.00	118.13	114583.32	50926.47	165545.81	116089.05
August	3313.80	5036.34	418.00	566.24	88684.36	41033.51	289856.80	202236.12
September	2928.00	4325.33	248.03	346.15	101312.61	47304.61	236986.81	236986.81
October	4542.00	6425.73	216.00	234.49	86565.40	42132.57	172861.10	112286.21

Sources : Ministry of Commerce and Industry

## EXPORT OF TEXTILES ITEMS

<i>(Qty in Tonnes)</i>								
<i>(Value in Rs. Lakh)</i>								
Items	2019-2020		2020-2021		2021-2022		2022-23	
	Qty	Value	Qty	Value	Qty	Value	Qty	Value
ACETATE FILAMENT YARN	0.03	0.09	12.81	58.89	81.51	117.53	21.64	91.72
ACETATE STAPEL FIBRE	0.00	0.00	0.00	0.00	3.56	73.11	1418.68	2331.39
ACRYLIC FILAMENT YARN	111.43	214.33	32.84	54.42	13.40	39.38	8.05	101.29
ACRYLIC STAPEL FIBRE	22345.13	35144.00	8084.60	10653.79	2991	6382	9743.06	19780
CUPROMINUM FILAMENT YARN	0.50	2.40	5.10	1.82	0.00	0.00	0.78	17.44
NYLON FILAMENT YARN	6113.69	18774.68	4492.89	12567.43	6619.12	22802.54	7174.18	24802.81
NYLON STAPLE FIBRE	7.36	69.32	12.75	87.35	7.50	112.66	7.50	45.15
OTHER ARTIFICIAL FIBRE	18.53	34.85	231.32	219.52	49.17	88.36	2164.71	4597.00
OTHER RAYON YARN	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OTHER SYNTHETIC FIBRE	91.19	139.64	94.77	153.58	80.97	149.70	47.47	110.01
OTHER SYNTHETIC YARN	2670.6	5436.36	2610.49	5046.41	2617.05	6081.55	3063.08	7892.67
POLYESTER FILAMENT YARN	557198.6	616194.7	401720.2	441865.72	550372.63	743525.66	363812.26	536797.61
POLYESTER STAPLE FIBRE	285156.9	204876.1	291399.4	172242	383703.11	329735.7	227366.13	228193.67
POLYPROPYLENE FILAMENT YARN	719.62	964.77	729.3	1004.98	797.6	1297.12	1015.42	1629.37
POLYPROPYLENE STAPEL FIBRE	9508.66	9102.56	8211.20	7667.63	10895.86	14032.68	12126.02	16027.55
VISCOSE FILAMENT YARN	5629.67	16510.48	3324.64	9939.26	4508.87	14472.87	3869.22	16860.89
VISCOSE STAPEL FIBRE	70948.41	104613.06	0.00	0.00	0.58	3.02	0.00	0.00

Source : Ministry of Commerce and Industry