## February 2025

# ECONOMY

## WORLD

### Govt weighing "full impact" of US tariffs on China

The government will assess any positive or negative implications for India from the tariffs that have been imposed by the US on China, a senior official said on Thursday. Though the duties on China are prima facie expected to boost exports from India to the US due to the duty arbitrage, the chances of dumping of goods from the neighbouring country has to be taken into consideration as it has excess capacity in almost every sector, the official added. On February 1 the US imposed 10% tariffs on Chinese goods. China has retaliated to the additional duties by the US and has also filed a complaint at the World Trade Organisation (WTO) calling the recent tariff action discriminatory. "We are trying to analyse the announcements made by the US on increasing tariffs. We will take the decision in due course. We are also asking our industry how these tariffs are going to affect them positively or negatively. We are looking at the exact items on which tariffs are coming on China," the source said. As the talk on tariffs by the US on China has been around for some months now, the increase in orders for Indian exporters from the US has already been seen, chief executive officer and director general of Federation of Indian Export Organisations (FIEO) Ajay Sahai said.

The sectors that will likely benefit from the higher duties on China include auto components, mobiles and electronics, electronic machinery, apparel, leather and footwear, furniture, pharma and toys, he said. While some sectors have seen rising US interest, in the engineering goods sector in general the new order books have slowed, according to industry sources. President Donald Trump has talked of increasing duties on steel and aluminium and the industry feels that 25% duties on iron and steel and 10% on aluminium could be brought back. These additional duties were imposed in 2018 during Trump's first presidency. Buyers are wary of signing new contracts as they fear sudden imposition of duties will upset all calculations and absorbing extra duties on already negotiated contracts would be difficult, an industry source said. The US is the trading partner with which India has the highest trade surplus. During April-November 2024-25, the US was the second-largest trading partner of India with $ 82.52 billion bilateral trade in goods – $ 52.89 billion exports and $ 29.63 billion imports. After the products on which there could be dumping from China is known, the government can be vigilant and start imposing safeguard duties. Already the Director General of Trade Remedies (DGTR) is already conducting an investigation into 31 products from China where the local industry has complained of below cost sales and injury from unfair competition.

(F.E.7/02/2025)

## As China loses apparel market share in EU and US, India gains

Retailers in the US and the European Union (EU) increased their orders for cotton garments from Vietnam instead of China and Bangladesh in 2024.India, too, gained during the period, experiencing a 20 per cent growth year on year during the April-December period of the current fiscal. “Compared to 2022, China’s market share in the US declined by 1 per cent last year, dropping from 21.8 per cent to 20.8 per cent. Each 1 per cent market share translates to approximately ₹6,900 crore worth of business in the US,” said Prabhu Dhamodharan, Convenor of the Indian Texpreneurs Federation (ITF).China’s lost share was distributed among multiple countries, with each competing nation gaining 0.2 per cent to 0.6 per cent from this China Plus One shift. India gained 0.2 per cent market share, bringing its current share to 5.9 per cent, he said. According to the Cotton Textiles Export Promotion. Council (Texprocil), data released by the Ministry of Commerce and Industry show that exports of cotton yarn, fabrics, madeups and handloom products from India grew by 11.98 per cent in December 2024 over December 2023.During April-December 2024, Indian cotton yarn, fabrics, madeups and handloom products registered a growth of 2.82 per cent. The growth of apparel during the first nine months of the current fiscal was 11.5 per cent.

“Bangladesh garment orders have been diverted to India. This has resulted in good demand for domestic yarn and garment exports,” said Anand Popat, a Rajkot based trader in cotton, yarn and cotton waste. “Even getting 510 per cent of the orders from Bangladesh means a lot. The weakening of the rupee will also help,” said Raichur based Ramanuj Das Boob, a sourcing agent for multinational and domestic companies. Dhamodharan said the US administration has introduced new tariffs (ranging from 0 to 35 per cent) on small parcels from China. This will create challenges for eplatform companies, making small parcel shipments from China less competitive. “This will open up big opportunities for India to bet on ecommerce fashion exports,” he said, adding that India was witnessing a surge in inquiries, with apparel exporters experiencing better order visibility from the US. Indian apparel exporters are witnessing a surge in inquiries and better order visibility, with brands introducing new product categories that were previously not manufactured in India, said the ITF convenor.

“A few Indian companies are drawing up plans for exclusive large scale capacities to cater to the US market, a positive and much needed move from India’s perspective to enhance scale and competitiveness in the global market,” said Dhamodharan. However, Vietnam has begun to buy more cotton from the US than India. “Indian cotton prices are higher than US rates. Vietnam is buying from Brazil and West Africa too,” said Popat. “Vietnam is not buying as Intercontinental Exchange (ICE) prices are 6668 US cents a pound. It also does not impose Customs duty,” said Das Boob, adding that small quantities of yarn have been imported into India. Currently, cotton benchmark futures are ruling at 67.4 US cents a pound (₹46,375 a candy of 356 kg). In India, exports benchmark cotton Shankar6 is quoted at ₹53,550 a candy. “The cotton market is stagnant in India. The Cotton Corporation of India (CCI) has procured 92 lakh bales under the price support programme, buying the natural fibre at the minimum support price (₹7,121/quintal for medium staple variety),” the Raichur based sourcing agent said. CCI procurement could top 100 lakh bales but the price level is comfortable for spinning mills, he said.

(B.L.19/02/2025)

## GROWTH OF ECONOMY

### At Rs.9.14 lakh cr, fiscal deficit for April –Dec at 56.7% of BE

The Centre's fiscal deficit for the April-December 2024 period came in at ₹9.14 lakh crore, which was 56.7 per cent of the Budget Estimate (BE) level of ₹ 16.13 lakh crore, official data showed. For the same period last financial year, fiscal deficit was at ₹9.8 lakh crore, or 55 per cent of BE, according to data with the Controller General of Accounts (CGA).Capital expenditure for the said period stood at ₹6.85 lakh crore, which is 61.7 per cent of BE of ₹11.11 lakh crore for 2024-25. Capex outlay for the year-ago period was 67.3 per cent of Budget estimate. In April-December period of FY25, the Centre's net tax revenues rose by 6.5 per cent y-o-y (dampened by the additional devolution of taxes to the States) to ₹18.43 lakh crore.

Non-tax revenues expanded by 43 per cent boosted by the RBI dividend. Revenue expenditure grew 7 per cent while capex rose by a relatively muted 1.7 per cent. Gross tax collections rose by 11 per cent on a y-o-y basis in 9MFY25, aided by elevated growth in income tax collections. While corporate tax collections have been tepid, rising by just 3 per cent y-o-y in April-December FY2025, income tax collections have expanded by 22 per cent during this period. ICRA's Chief Economist and Head-Research & Outreach Aditi Nayar believes that personal income tax collections may surpass the FY25 BE of ₹11.5 lakh crore, unless large refunds are released in the latter part of the fiscal, while corporation tax inflows may print in line or slightly lower than the target. Revenue expenditure rose by a mild 1.6 per cent y-o-y in the month of December 2024, whereas capital expenditure surged by ~95 per cent in the month, which would augur well for economic activity.

Nayar said that the Centre's capex still needs to expand by a sharp ~55 per cent y-o-y in January-March 2025 or record a monthly run rate of ₹1.4 lakh crore, to meet the FY25 Budget estimate, which appears challenging. We are apprehensive that the capex target of ₹11.1 lakh crore for FY25 will be missed by a margin of ~₹0.8-1 lakh crore, although this is lower than ICRA's earlier estimate of a ₹1.4 lakh crore miss, owing to the unexpectedly robust spike in December 2024."Nevertheless, the anticipated miss in the capex target is expected to offset any shortfall on account of disinvestment and taxes, as well as the impact of the recent supplementary demand for grants. Accordingly, ICRA expects the fiscal deficit to mildly trail the FY25 BE of ₹16.1 lakh crore or 4.9 per cent of the GDP," Nayar said. Reacting to the latest fiscal deficit numbers, Madan Sabnavis, Chief Economist, Bank of Baroda, said that he expects the fiscal deficit for the current fiscal to come in at a lower 4.8 per cent of GDP as compared to 4.9 per cent pegged at the Budget estimate level.

(B.L.1/02/2025)

## Govt Plans to reduce debt to GDP ratio to 47.5 -52% by FY 31

As expected, Finance Minister Nirmala Sitharaman in her FY26 Budget announced a new glide path with debt to gross domestic product (GDP) ratio as the fiscal anchor, moving away from the current practice of targeting fiscal deficit. The six-year road map till 2030-31 (FY31) aims to bring down debt to GDP ratio to a range of 47.5-52 per cent from 57.1 per cent in FY25. For FY26, the Budget pegs debt to GDP ratio at 56.1 per cent assuming nominal GDP growth of 10.1 per cent effectively aiming to bring it down by 1 percentage point a year. The debt to GDP range for the period FY27-FY31 is based on three nominal GDP growth scenarios of 10 per cent, 10.5 per cent, and 11 per cent. For each growth scenario, there are three debt to GDP ratio targets such as mild, moderate, and high, depending on the degrees of fiscal consolidation the government wants to target. “This approach would provide requisite operational flexibility to the government to respond to unforeseen developments. At the same time, it is expected to put the central government debt on a sustainable trajectory in a transparent manner,” said the “Medium Term Fiscal Policy cum Fiscal Policy Strategy Statement” presented along with the Budget. In her Budget speech, Sitharaman said: “Our endeavour will be to keep the fiscal deficit each year such that the central government debt remains on a declining path as a percentage of the GDP.”

The government now targets to bring down the fiscal deficit to 4.4 per cent of GDP in FY26 from the revised 4.8 per cent of GDP in FY25. In FY22, the Budget had set a glide path to bring down the fiscal deficit to below 4.5 per cent of GDP by FY25.“Sans any major macroeconomic disruptive exogenous shock(s), and while keeping in mind potential growth trends and emergent development needs, the government would endeavour to keep fiscal deficit in each year (from FY27 till FY31) such that the central government debt is on declining path to attain a debt to GDP level of about 50±1 per cent by 31st March 2031 (the last year of the 16th Finance Commission cycle),” the Statement said. The Statement added that the choice of fiscal anchor aligns well in the context of sustained efforts of the government to promote fiscal transparency through proper disclosure of off-budget borrowings. “The choice of debt to GDP ratio as the fiscal anchor is in line with current global thinking. It encourages shift from rigid annual fiscal targets towards more transparent and operationally flexible fiscal standards. It is also recognised as a more reliable measure of fiscal performance as it captures the cumulative effects of past and current fiscal decisions. It is expected that the debt to GDP-based fiscal consolidation strategy would help rebuild buffers and provide requisite space for growth-enhancing expenditures,” the Statement explained.

(B.S.2/02/2025)

## Economy expected to grow 6.4% in Q3: Icra

Credit Rating Agency (ICRA) on Tuesday (February 18, 2025) projected India's GDP to grow 6.4% in the December quarter on account of enhanced government spending amid uneven consumption. The Indian economy grew at 6.7% in April-June, but it slowed to a seven-quarter low of 5.4% in September quarter on sluggish government capital expenditure due to general elections and weak consumption demand. ICRA Chief Economist Aditi Nayar said India's economic performance in Q3 FY2025 benefitted from a sharp ramp-up in aggregate government spending (Centre and state) on capital and revenue expenditure, high growth in services exports, a turnaround in merchandise exports, healthy output of major kharif crops etc, which would have buffered rural sentiment. Some consumer-focussed sectors saw a pick-up during the festive season, even as urban consumer sentiment dipped slightly, and other sectors such as mining and electricity saw an improvement after weather-related challenges in the previous quarter.

"Overall, while we expect the pace of GDP and the GVA expansion to rise in Q3 FY2025 relative to the seven-quarter low prints for the previous quarter, marking an upturn, the performance may remain inferior to the NSO's initial estimates for Q1 FY2025," Ms. Nayar said.The National Statistical Office (NSO) will release the October- December growth estimates on February 28. It will also release the second advance estimates of GDP for the current fiscal. Investment Information and Credit Rating Agency (ICRA) on Tuesday (February 18, 2025) projected India's GDP to grow 6.4% in the December quarter on account of enhanced government spending amid uneven consumption. The Indian economy grew at 6.7% in April-June, but it slowed to a seven-quarter low of 5.4% in September quarter on sluggish government capital expenditure due to general elections and weak consumption demand.

ICRA Chief Economist Aditi Nayar said India's economic performance in Q3 FY2025 benefitted from a sharp ramp-up in aggregate government spending (Centre and state) on capital and revenue expenditure, high growth in services exports, a turnaround in merchandise exports, healthy output of major kharif crops etc, which would have buffered rural sentiment. Some consumer-focussed sectors saw a pick-up during the festive season, even as urban consumer sentiment dipped slightly, and other sectors such as mining and electricity saw an improvement after weather-related challenges in the previous quarter. "Overall, while we expect the pace of GDP and the GVA expansion to rise in Q3 FY2025 relative to the seven-quarter low prints for the previous quarter, marking an upturn, the performance may remain inferior to the NSO's initial estimates FY2025," Ms. Nayar said.

The National Statistical Office (NSO) will release the October- December growth estimates on February 28. It will also release the second advance estimates of GDP for the current fiscal.In the first advance estimates released in January, NSO projected GDP growth at a 4-year low pace of 6.4% in the current fiscal. The RBI expects growth to be 6.6%.“ICRA has projected the economy to grow at 6.4% in Q3 from 5.4% in Q2, benefitting from enhanced government spending amid uneven consumption,” it said in a statement.

(F.E.19/02/2025)

## Growth in 2025 to ease to 6.4%, says Moody’s

Moody’s Analytics has projected India’s economic growth to slow down to 6.4% in 2025 from 6.6% in 2024, mainly due to softening of global demand and “new tariffs”. The agency expects global growth to ease to 3.7% in 2025 and 3.5% in 2026 from an estimated 3.9% in 2024. In its report, titled “Asia-Pacific (APAC) Outlook: Chaos Ahead”, Moody’s Analytics said growth across the Asia-Pacific economy will slow in 2025 as trade tensions, policy shifts, and uneven recoveries knock the region’s fortunes. “Growth across the region will slow as new tariffs and softening global demand weigh on exports,” the report said. China will bear the brunt of escalating trade tensions with the US. “We see Chinese GDP growth slowing to 4.2% in 2025 and 3.9% in 2026 from 5% in 2024,” it said. Growth in India will creep into the low-6% range in coming years from 6.6% in 2024, it said, adding that high-income economies, Japan and Australia, will see modest improvements in 2025 as inflation recedes. Currently, GDP in China, APAC’s largest economy, is about 1.2% of its pre-pandemic trend but roughly in line with the global average. India, trailing closely, is about 2% of its former trend but is gaining ground, the report stated.

(F.E.21/02/2025)

# GOVERNMENT POLICY FOR TAXATION

## FM hits at GST slab reduction

The GST Council will soon take a decision on having fewer and lower rates as the review work is almost complete, Finance Minister Nirmala Sitharaman said on Tuesday. Currently, Goods and Services Tax (GST) is a four-tier tax structure with slabs at 5, 12, 18 and 28 per cent. Luxury and demerit goods are taxed at the highest bracket of 28 per cent, while packed food and essential items are in the lowest 5 per cent slab. The Council, chaired by Sitharaman and comprising her state counterparts, has set up a group of ministers (GoM) to suggest changes in GST rates as well as reduce slabs. "To be fair to the GST and the ministers who are all in the council, the work on rationalizing and simplifying GST rates has already commenced. In fact, it had commenced nearly three years ago," she said at the India Today-Business Today Post Budget Round Table. Sitharaman said later the scope was widened and now the work is almost complete. Mentioning that she told ministers in the Council to have a more in-depth look at the rates since they relate to everyday items consumed by common people, the minister said it was important to ensure that an opportunity was not lost. "For me, it was also important that we don't lose an opportunity, that we can even bring down the number of rates, which is also the original intent that we wanted fewer rates and lower rates.

So work has got to happen on that, and I hope the GST Council will decide on it soon," Sitharaman said. Days after presenting the Union Budget 2025-26 that also provides significant income tax relief to the middle class, the minister asserted the country's economic fundamentals are strong and there is no structural slowdown. Tax relief in the Budget is a reflection of the prime minister's commitment to the taxpayers, Sitharaman said and refuted speculations that the move was aimed at Delhi assembly elections. She also told the gathering that there is no proposal to "shut down" the old tax regime. On a question related to capital expenditure, the minister further said the capex has not come down, in fact it has increased to Rs 11.21 lakh crore which is 4.3 per cent of the GDP. For fiscal 2025-26, the Budget proposed to spend Rs 11.21 lakh crore towards capital expenditure (capex), higher than Rs 10.18 lakh crore in the Revised Estimates for FY25. It was Rs 10 lakh crore in FY24, Rs 7.5 lakh crore in FY23, Rs 5.54 lakh crore in FY22 and Rs 4.39 lakh crore in FY21.The Budget pegged a fiscal deficit of 4.4 per cent of GDP for FY26 and lowered the target for FY25 by 10 basis points to 4.8 per cent of GDP.

(F.E.5/02/2025)

## Budget with a governance focus

Budget 2025-26 is a mix of short-term measures for improving growth and medium-term measures for building expectations. The proposed development measures cover 10 broad areas focusing on garib, youth, annadata and nari through agriculture, MSMEs, investments and exports with citizen-centric initiatives for empowerment, capacity building and building trust. Considering the structural slowdown in the economy, the government must focus additionally on increasing employment of people at low income levels, manage inflation, increase productivity and promote new tech opportunities. Personal income tax relief may lead to 0.3-0.5 per cent growth in consumption and around 20-30 basis points (bps) increase in growth of GDP if the entire benefit is used for consumption. Estimates are around 50 per cent of the relief amount will be saved. Given the moderation in growth in the current year and the expectation of continuation of the observed decadal trend rate of growth, we may still continue to see stickiness in growth. Nominal GDP growth assumed in the Budget is 10.1 per cent for 2025-26. If it holds, with WPI converging to CPI core and food inflation not showing signs of moderation, GDP deflator may end up close to 4 per cent reducing GDP growth to around 6 per cent.

The Budget skilfully manages the fisc, capital outlay and income tax cuts. Central debt levels are projected to come down by 0.7 per cent of GDP in 2025-26. Personal income tax collections are somewhat overstated after factoring in tax cuts. One hopes that the axe does not fall on capital outlay in the end to maintain the fiscal deficit target. Effective capital expenditure outlay makes a healthy increase from 13.2 per cent (RE 2024-25) to 15.5 per cent of GDP. Dividend assumption from the RBI looks optimistic. Probably Available Realised Equity as percentage of RBI balance sheet will be reduced this year. Interest payments to Revenue increases by 0.4 per cent. Monetisation is in focus again, but the stated target looks ambitious. Disinvestment numbers remain sticky. To improve defence preparedness, defence capital outlay has gone up by 12.5 per cent (over RE). Outlay on health and education shows an increase that is more than the rate of overall increase in expenditure. Shift of expenditure to primary healthcare and literacy and numeracy outcomes should take place. Outlay on railways, roads and rural development seems to be governed by the ability of these departments to absorb the outlay.PPPs (public-private partnerships) have resurfaced, but require the government’s ability to allocate risks in a manner that is equitable and which the private sector can afford. Outlay on airports, shipbuilding, ship breaking, labour intensive sectors, tourism, funds for start-ups along with the Manufacturing Mission could catalyse investments in these sectors. Jal Jeevan Mission badly underperformed this year. The government should focus on reenergising this initiative.

Finally, the government has accepted that trust based economic governance is more important. It has decided to form a high-level committee to review regulations, certifications and licences. The Economic Survey had focused on this issue. This will enable the private sector (foreign investors also) to invest more in the country. By this, the government adds further to the ‘ease of doing business’. If the additional known risks to private investment are removed, private capex can improve significantly. The decision to offer support to integration with global supply chains is significant. A review of our current position on tariffs and FTAs (free trade agreements) is required perhaps, after an equilibrium is reached in the ensuing tariff war. Trade defence mechanism, as per WTO, requires to be strengthened. But steps proposed in the Budget on export promotion are not a day too late. The focus on skill development must be even sharper. Some progress is seen in trying to make vocational training part of curriculum in schools. Why the private sector is not active in investing and managing ITIs, as expected, requires some soul-searching. Skills in tourism, construction and rural enterprises are lacking. The Budget proposes to incentivise MSMEs, by providing greater access to credit, technology up gradation, easing their compliance burden and other support measures. All India Survey of Unincorporated Enterprises indicates that more than seven crore unincorporated enterprises are employing nearly 12 crore persons (self-employed as entrepreneurs and hired workers). Only one-fifth of these are covered by any normal channel of institutional credit or are on the radar of public agencies. Access to institutional credit, which was destroyed during the pandemic, must be provided at least for those enterprises which have bank accounts and hence their cash-flows are known. Such capital must be collateral free and guaranteed by the government. To begin with at least one million such enterprises can be covered. The current programmes do not cover this set of entrepreneurs. The focus of the Budget on agriculture is well-articulated. Renewed focus on R&D, extension, freedom to move perishables across the country and removing controls on export and stock-holding is critical. To technically upgrade rural industries, linkage with nearby ITIs is required. CSR resources must be used to ensure efficient marketing of rural products. The government should catalyse creating marketing structures like AMUL in perishables to enable the non-farm sector to improve their incomes.

(B.L.5/02/2025)

## Tax relief Move has reduced demand uncertainty: CEA

The tax cut announced in the Union Budget has reduced the demand uncertainty in the domestic economy and given a nudge to the private sector capital formation, Chief Economic Advisor V Anantha Nageswaran said on Monday. In a significant move to ease the tax burden on the middle class, Finance Minister Nirmala Sitharaman, in her Budget speech on Saturday, announced a major overhaul of the tax regime, introducing a zero-income tax slab for taxpayers earning up to Rs 12 lakh annually under the new tax regime. “It is quite clear that the current state of the world in terms of geopolitical and geo-economic uncertainties is very much the driving force behind many of the proposals you see in the Budget, including the widely discussed tax cut and the revision of tax slabs given to various income individual income taxpayers,” Nageswaran said at a post-Budget discussion organised by the Confederation of Indian Industry (CII).

The CEA said the boost to disposable income would be a positive for the Indian economy, regardless of whether it goes into consumption or savings, as the former will bolster the aggregate demand and encourage the private sector to undertake capital formation. “The private sector has indeed been investing. Maybe the pace is not as much as one would have liked to see because the benchmarks that we use pertain to the first decade of the millennium when the world was a different place,” the Nageswaran said. He highlighted that the growth in public capital expenditure might not naturally maintain the same pace of growth as the base becomes larger. “This Budget not only addresses the questions in people's minds about the momentum in the Indian economy but also sets the Indian economy on a stronger path to medium-term growth by addressing issues such as capital formation in the private sector, energy security, employment, and skilling," Nageswaran said. The Union Budget FY26 has pegged capex at Rs 11.2 trillion - a growth of around 10 per cent over the previous year's revised estimates of Rs 10.18 trillion. Nageswaran, however, said that taking into consideration the capex undertaken by the union government in public sector enterprises and the grants in aid, the capital formation in FY26 is budgeted to be Rs 19.8 trillion against Rs 18.7 trillion in FY25.He said that without energy security and energy affordability, the potential gross domestic product cannot rise. "Many of the economic slowdown and stagnation which we are witnessing in different parts of the world can arguably be attributed to higher energy costs, which were induced by the energy transition efforts," Nageswaran said. The CEA added that the Budget was a very clear recognition and demonstration of the government's commitment to ensuring that the Indian economy was able to grow on the strength of domestic demand levers in a world that will remain uncertain, both politically and economically.

(B.S.4/02/2025)

## Govt, RBI will work together for growth: FM

The combined effect of the government's fiscal policy and the Reserve Bank of India's monetary measures would help boost consumption and private investments and thereby accelerate economic growth, finance minister Nirmala Sitharaman said on Saturday. Addressing the media after a post-Budget meeting with the central bank's board in Delhi, Sitharaman said the triggers of consumption-driven growth cycle are clearly being felt by a number of firms that have to make investment decisions. "I see this as a positive sign and with (Friday's rate cut by the RBI), things can move together in alignment," she said. The minister also stressed the government would continue to work in a well-coordinated fashion with the RBI to prop up growth and contain inflation.

RBI governor Sanjay Malhotra said market forces decide the value of rupee with respect to the US dollar and the central bank is not worried about day-to-day movement of the currency value. The central bank focuses on the value of the rupee in the medium to long term, he said. On the impact of the depreciation of the rupee against the US dollar on price rise, the governor said a 5% fall in rupee's relative value impacts domestic inflation to the extent of 30-35 bps .The governor added that the RBI will be agile in responding to the liquidity needs of the banking system, both transient and durable.

(F.E.9/02/2025)

## Net direct tax collection rises 14.7% to 17.8 trn

Net direct tax collection grew 14.7 per cent to Rs 17.8 trillion between April 1 and February 10 of FY25, according to the latest data released by the income tax department on Tuesday. Of this, non-corporate tax which includes taxes paid by individuals, Hindu Undivided Families, firms, bodies of individuals, associations of persons, local authorities, and artificial juridical persons surged 20.9 per cent year-on-year (Y-o-Y) to Rs 9.4 trillion. Corporate tax during the same period grew at a slower pace of 6.1 per cent to Rs 7.8 trillion while the securities transaction tax (STT) was up 65.05 per cent to Rs 49,201 crore. Gross direct tax collections during the period grew 19.1 per cent to Rs 21.9 trillion, with refunds up 42.6 per cent to Rs 4.1 trillion during the same period. The government is targeting a total gross tax revenue of Rs 38.53 trillion (revised estimates) for FY25. This includes a goal of Rs 22.37 trillion from direct taxes and Rs 16.16 trillion from indirect taxes. In the previous financial year (2023-24), the Centre's net direct tax revenue was Rs 19.6 trillion after accounting for refunds, reflecting a growth rate of 17.7 per cent.

(B.S.12/02/2025)

## RBI MPC Meeting 2025 Highlights: RBI cuts repo rate to 6.25% after 2 years, cites slowing growth and easing inflation

RBI MPC Meeting February 2025, RBI Monetary Policy Committee (MPC) Highlights: The MPC revised the repo rate for the first time in two years, voting unanimously to cut it by 25 basis points from 6.50% to 6.25% in view of easing retail inflation and slowing growth. The rate cut comes even as the Rupee continues to reel to under pressure from global tariff wars. The MPC decided unanimously to reduce the policy repo rate to 6.25% at its meeting, which is the committee's last one for FY25 and new Governor Sanjay Malhotra's first after he assumed charge of RBI on December 11, 2024, held from February 5th to 7th. The MPC also decided unanimously to continue with the 'neutral' stance and to remain unambiguously focused on a durable alignment of inflation with the target, while supporting growth. RBI MPC 2025 Highlights, RBI Monetary Policy Meeting Outcomes, RBI MPC Meeting February 2025 News & Highlights: Follow here for all the latest updates regarding expectations from Reserve Bank of India's (RBI) Monetary Policy Committee meeting. Here are the highlights from the Reserve Bank of India's Monetary Policy Committee (MPC) meetings from December'24, October'24, August'24, June'24 & April'24.Rate cut of 25 bps to 6.25% to boost growth. GDP expected to grow at 6.7% in 2025-26, driven by consumption & investment. Inflation projected at 4.2% for 2025-26, barring major shocks. Global risks (geopolitics, trade policy, financial volatility) remain key concerns. Neutral stance maintained to allow flexibility in response to changing conditions. Other Adjustments: Standing Deposit Facility (SDF) rate: 6.00%Marginal Standing Facility (MSF) rate & Bank Rate: 6.50%India's Economic Growth (2024-25):GDP Growth Estimate: 6.4% YoY, driven by private consumption recovery; (Quarterly estimates: Q1 - 6.7%, Q2 - 7.0%, Q3 & Q4 - 6.5% each)Headline Inflation: Declined from 6.2% in Oct 2024 to lower levels in Nov-Dec 2024 due to falling food inflation Projections for 2024-25:CPI Inflation: 4.8% (Q4: 4.4%); Projections for 2025-26:CPI Inflation: 4.2%

(B.L.7/02/2025)

## Govt shelves new PLIS; fresh incentive schemes in the works for some sectors

New production - linked incentive (PLI) schemes are set to given a quiet burial, with many of the existing ones are yet to produce satisfactory results. “The spirit of PLI has been lost. PLI is no longer the favoured child,” an official said on condition of anonymity. Instead, the government is working out the contours of new incentive schemes for a clutch of industries. These incentives will, however, be markedly different from PLI schemes in terms of structure and objectives, with a sharper focus on job creation and quality of products, official sources said. While the Budget for FY26 stated that new schemes would be rolled out for toys and leather/footwear, similar schemes may be on the cards for While Budget stated that new schemes would be rolled out for toys & leather/ footwear, similar schemes may be on the cards for chemicals, bicycles, shipping containers, etc, sources said. The PLI policy was launched in 2021-22 to assist Indian companies to scale up and become large enough to compete globally. There are as many as 14 schemes at present, with the government seeking to offer Rs 1.95 lakh crore in incentives by FY30. However, the schemes’ progress so far is barely par for the course.

There are big lags in investments in many sectors, including automobiles, advance chemistry cell batteries, speciality steel and textiles that were supposed to lead the pack. Companies have invested over Rs 1.5 lakh crore in the three years through September 2024 under the 14 PLI schemes, or about 50 per cent of the Rs 3 lakh crore committed over five years. But only Rs 11,317 crore, or 6 per cent of Rs 1.95 lakh crore incentives linked to investments, sales /turnover and value addition, has been disbursed till September 2024. The slow pace of disbursement is ascribed to complex rules and red tape. Before the Budget announcement, Cabinet notes were already under discussion for new PLIS in six sectors with a tentative allocation of Rs 18,000 crore. These included Rs 3,500 crore for toys, Rs 2,600 crore for leather and footwear, Rs 3,600 crore for bicycles, Rs 5,000 crore for chemicals, Rs 2,500 crore for critical inputs required for vaccines, and Rs 800 crore for shipping containers. All these were to be funded from savings from the existing PLIS. However, moving away from PLIS, in the Budget, the government announced that to enhance the productivity, quality and competitiveness of India’s footwear and leather sector, it will launch a “focus product” scheme for leather and footwear. The scheme is to be designed to support design capacity, component manufacturing, and machinery required for the production of non-leather quality footwear, besides leather footwear and products. It is expected to facilitate employment for 2.2 million people, generate a turnover of Rs 4 lakh crore and exports of over Rs 1.1 lakh crore.

(F.E.17/02/2025)

## May increase outlay for Rs.2250crore export promotion mission if needed

The government may increase the outlay for the ₹2,250-crore export promotion mission announced in the recent Budget if it is not enough to cover requirements of the various schemes that are subsumed into it, including for cheap export credit, market promotion and factoring services, according to sources. “The figure is not cast in stone. If we go back with an EFC (expenditure finance committee) note and convincingly argue that more funds are needed, a decision may be taken in favour,” a source tracking the matter told *businessline*. The Budget for 2025-26 had not made separate allocations for the popular interest equalisation scheme (IES) for exporters, which was not extended beyond December 31, 2024, and the Market Access Initiative (MAI), and both schemes would be part of the export promotion mission for now. Announcing the export promotion mission in her Budget speech on February 1, Finance Minister Nirmala Sitharaman said it will facilitate easy access to export credit, cross-border factoring support and assistance for MSMEs in tackling non-tariff measures in overseas markets.

Exporters are apprehensive that the allocated funds of ₹2,250 crore may not be enough to provide for all support the scheme envisages. For instance, from April 2023 to November 30, 2024, the government disbursed ₹2,641.28 crore for the IES, while a higher ₹3,118 crore was disbursed in 2022-23 and ₹3,488 crore in 2021-22. The IES provides credit at a subsidised rate to eligible exporters. Additionally, the MAI scheme, important for exporters to find more buyers and newer markets, had an annual allocation of ₹200 crore last fiscal. Apart from IES and MAI, the export promotion mission also includes other schemes that need to be provided for. The Commerce, MSME and Finance Ministries are working on these schemes which are expected to be rolled out in about four-five months. With sluggish growth in goods exports from the country, largely owing to the ongoing geo-political tensions affecting global demand, exporters have been making a case for restoration of the IES scheme for all exports and more R&D and marketing support. In April-January 2024-25, goods exports from India increased 1.39 per cent to $358.91 billion.

**(**B.L.19/02/2025)

## Gujarat govt presents Rs 3.70 trillion Budget, no new tax proposed

Gujarat Finance Minister Kanubhai Desai on Thursday presented a Rs 3.70 trillion budget for the state for the financial year 2025-26, giving tax reliefs of Rs 148 crore. Also, no new tax was proposed in the budget, presented by Desai in the state assembly here on the second day of its budget session. Desai informed the House that the budget outlay of Rs 3,70,250 crore for 2025-26 indicates an increase of Rs 37,785 crore, or 11.3 per cent, compared to the previous fiscal. The state government proposed a tax relief of Rs 148 crore in the form of reduction in stamp duty on mortgage deeds and on motor vehicle tax on electric vehicles. In his budgetary address, Desai announced a host of new schemes and projects and said the budget was based on five pillars - social security, human resource development, infrastructure development, green growth and development of economic activities. Desai said the state government has prepared a roadmap for 'Viksit Gujarat 2047' to realize Prime Minister Narendra Modi's vision of 'Viksit Bharat' by 2047. "To transform this vision into reality, we are committed to formulating and implementing well-planned projects and public welfare schemes. For this, I propose to create a Rs 50,000 crore Viksit Gujarat Fund over the next five years. I propose an allocation of Rs 5,000 crore (under it) in this budget," he said. To transform Gujarat into a developed and prosperous state, six growth hubs, including Surat Economic Region will be developed, he said. For this, regional economic plans for Ahmedabad, Vadodara., Rajkot, Coastal Saurashtra region and Kutch are being prepared to facilitate the comprehensive and balanced economic development of the state, announced Desai.

(B.S.20/02/2025)

## Lower policy rate appropriate at current Juncture: Governor

A lower policy rate is more appropriate at this time, given that inflation is expected to align with the Reserve Bank of India (RBI)’s target, governor Sanjay Malhotra said in the minutes of the latest monetary policy committee (MPC) meeting. Budget proposals on agriculture and the government’s commitment to fiscal consolidation are positive for price stability and would help anchor inflation expectations over the medium term, he said. “Given the macroeconomic outlook when inflation is expected to align with the target, and recognising that monetary policy is forward looking, I view a lower policy rate to be more appropriate at the current juncture,” Malhotra said.

“The food inflation outlook is turning decisively positive. ”The governor, along with five other members of the MPC, had voted for a 25-basis-point reduction in the short-term lending rate (repo) to 6.25% on February 7, the first such cut in nearly five years. The MPC includes three RBI members and three external members.RBI deputy governor M Rajeshwar Rao said at the current juncture, with a further alignment of headline inflation towards the 4% target, there is a greater space to address concerns regarding growth by way of reduction in the policy repo rate. “This monetary policy measure, in conjunction with the fiscal measures announced in the Budget, should give a fillip to aggregate demand conditions. Furthermore, the government has reaffirmed its commitment to fiscal consolidation, which should help to anchor medium-term inflation expectations,” Rao said. RBI executive director and panel member Rajiv Ranjan said in line with the sequencing path that the RBI followed, a policy rate cut in February 2025 was the most rational and appropriate step as we now have greater confidence on the disinflation path.

“In line with this prognosis, we also prepared the market by infusing sufficient liquidity for better transmission. The baseline projections suggest headline inflation to average at 4.2% during 2025-26,” he said. External member Nagesh Kumar said the panel could be more ambitious and target a 50-bps cut, but voted for 25 basis points given global uncertainties. “I strongly feel that the MPC should begin the process of normalisation of the monetary policy with a rate cut. We could be more ambitious and target a 50-basis-point cut,” Kumar said. “It would send a signal to the markets and private investors within and outside the country that India is serious and would do whatever it takes to revive economic growth momentum.”External member Saugata Bhattacharya said in view of the downward inflation trajectory, rate cut is the “appropriate policy response at this point of the economic cycle”. Bhattacharya also voted to continue with the neutral policy stance. “Given the forecast inflation trajectory, the policy repo rate might soon, if not even as of now, become excessively restrictive, thereby increasing the risk of cumulatively damaging growth impulses,” said Bhattacharya. External member Ram Singh said the Budget has given a push to demand. “However, demand push will not result in higher private capex unless interest rates are reduced immediately,” Singh said.

(F.E.22/02/2025)

## IMPORT/ EXPORT

## Export mission to end woes of MSMES: DGFT

The bulk of allocation for the Export Promotion Mission (EPM) announced in the budget will be used for designing schemes for addressing export credit requirements of micro, small and medium enterprises (MSMEs) and promoting use of alternate financing instruments like factoring. “The allocation for the mission for this year has been lept at Rs 2250 crore of which Rs 200 crore is for Market Access Initiative (MAI) and Rs 50 crore is for lab grown diamonds. Rest of the amount is for designing schemes around export credit, cross border factoring and support to MSMEs to tackle non-tariff barriers (NTBs),” director general of foreign trade Santosh Kumar Sarangi said.

The schemes will be designed by the Ministry of Finance and Ministry of Commerce. Earlier the government had a scheme for interest subsidy for export credit that came to an end on December 31, 2024. “Format of assistance to exporters will change. It will not necessarily be in the form of interest subvention,” he said. For export financing the government is looking at addressing the problem of high collateral many of the exporters face. “Four out of five MSMEs face issues regarding collateral and many of them are not able to avail credit because of this demand. We are thinking of a mechanism to increase export credit without giving collateral or giving partial collateral,” Sarangi said. Total export credit requirement for exports of $ 437 billion in 2023-24 is $ 284 billion but only $ 124.7 billion is provided. Total export credit requirement is estimated at $ 650 billion in 2030 for exports of $ 1 trillion. The collateral support per exporter would be capped.

The government is also looking to promote factoring services, which are big outside India. It enables exporters to sell his export receivables to a factoring service provider at a discount. For the fee, the service provider accepts the risk of collection of the payment. The government is thinking of filling a part of the gap between the value of the export receivable and the price at which it is acquired by factoring service providers. Factoring is big outside India. India has 11 factoring companies as compared to China's 2000.Global cross border factoring is estimated to be $ 758 billion but in India it is only $ 1 billion. The cross-border factoring should attain a certain scale to reach about 3% of merchandise exports (in line with the global average), Sarangi said. To help MSMEs deal with NTBs the mission will consider reimbursing additional costs incurred by them for conformity assessment compliance relating to registration, testing, certification and inspection for organic, halal, electric goods, energy audit, European Union's carbon tax and deforestation regulations..

(F.E.5/02/2025)

## Import duty cuts to benefit American exports to India

Ahead of Prime Minister Narendra Modi's visit to the US, the government has slashed customs duties on not just America's iconic Harley Davidson motorbikes but also several other items of interest to American exporters. The unilateral lowering of tariffs may help set a positive tone for Modi's meeting with US President Donald Trump, who has been a constant critic of India's "high tariffs", a source tracking the matter said. India'splans to amend its nuclear liability law and set up a nuclear energy mission is also likely to please the US as it would boost private and foreign investments and encourage India-US collaboration in the civil-nuclear field, sources said. "These latest reductions signal a policy shift that could enhance US exports across various sectors. With key tariff cuts on technology, automobiles, industrial inputs and waste imports, India appears to be taking steps toward facilitating trade even as the global trade environment remains tense," said Ajay Srivastava from the Delhi-based research body GTRI.

The government is of the view that the customs duty rejig will benefit industry and businesses at large. "We have always been responsive to industry's requests on reduction of tariffs and duties. This is a continuation of that effort and will send a positive message to the business and industry. It will help manufacturing grow because raw materials and intermediate products will make our products more competitive in the international market," Commerce and Industry Minister Piyush Goyal told businessline when asked if the duty cuts were to satisfy Trump. In his phone call with Modi on January 28, Trump said that India needs to move towards a fair bilateral trading relationship with the US and buy more American-made security equipment. The two leaders also discussed plans for the Indian PM to visit the White House.

Trump had earlier threatened India with “reciprocal tariffs” if it did not reduce its tariffs. In the Budget announced on Saturday, key tariff reductions favouring the US include lowering of import duty on fish hydrolysate (used in aquatic feed) to 5 per cent from 15 per cent. US exporters, who shipped the item valued at $35 million to India in FY24, directly stand to gain, a GTRI report noted. The halving of import duties on ethernet switches, in the ‘others’ category, will benefit American companies which exported items worth $653.4 million to India in FY24. Lowering import duties on synthetic flavoring essences to 20 per cent from 100 per cent and eliminating duties on ground installations for satellites are also set to benefit American companies. The Budget brought down tariffs on motorcycles, most significantly for the above-1,600cc category, to 30 per cent from 50 per cent, a move likely to benefit Harley Davidson, which has most of its product line-up in this category. “US motorcycle exports to India stood at $3 million in FY24, and this tariff cut could help expand market access for American manufacturers,” the GTRI analysis said. India also eliminated tariffs on specific waste and scrap items, reducing duties from 5 per cent to zero. The US exported a total of $2.5 billion worth of waste and scrap of all types to India in FY24.

(B.L.3/02/2025)

## Schemes under export mission in the works

Inter-ministerial consultations to finalise the schemes under the Export Promotion Mission will begin soon, a senior official said on Monday. According to the official, a bulk of the allocation of Rs 2,250 crore for the mission will be utilised in the schemes to address export credit requirements of micro, small and medium enterprises (MSMEs) and to promote the use of alternative financing instruments like factoring. The ministries of finance and MSMEs and the department of commerce are designing the schemes under the mission, announced in the Budget for FY26. Once the schemes are prepared, the Cabinet’s approval will be sought, director general of foreign trade Santosh Kumar Sarangi said.For export financing, the government is looking at addressing the problem of high collateral many of the exporters face. The government is working on a mechanism to increase export credit without giving collateral or with reduced collateral. The total export credit requirement for $437-billion exports in 2023-24 is $284 billion but only $124.7 billion is provided. The total export credit requirement is estimated at $650 billion in 2030 for exports of $1 trillion. The collateral support per exporter would be capped.

The government is also looking to promote factoring services, which are big outside India. It enables exporters to sell his export receivables to a factoring service provider at a discount. For the fee, the service provider accepts the risk of collection of the payment. The government is thinking of filling a part of the gap between the value of the export receivable and the price at which it is acquired by factoring service providers. To help MSMEs deal with non-tariff barriers, the mission will consider reimbursing additional costs incurred by them for conformity assessment compliance relating to registration, testing, certification and inspection for organic, halal, electric goods, energy audit, and the European Union's carbon tax and deforestation regulations.

(F.E.18/02/2025)

## Apparel exports to Spain grew 19.7% in April-January

Apparel exports to Spain registered a 19.7% growth for the April-January 2024-2025 period compared with the same period the previous year. According to Mithileshwar Thakur, secretary general of the Apparel Export Promotion Council (AEPC), export of readymade garments rose 11.6 % during April 2024-January 2025 over the corresponding period the previous fiscal, "despite global headwinds, geo-political challenges and supply chain disruptions." Garment shipments to the U.S. rose 13.8% and to the U.K., the growth was 8.9%. Exports increased to Germany too. However, the highest growth was to Spain. "Substantial growth is visible even in old and new FTA partner countries such as South Korea, Japan, Australia, Mauritius and UAE." "Garment exports are growing in several new markets," he said. Sudhir Sekhri, chairman of AEPC, said the council planned to promote the global reach of Indian apparel by diversifying to newer and non-traditional markets through its export promotion activities in the financial year 2025-2026.

(The Hindu:-23/02/2025)

## Industry

## 'Enhancing investment, turnover limits for MSME a boost to textile industry'

The revision in classification of MSMEs in the Budget will be a blessing in disguise for the textile industry which is dominated by small businesses. While presenting the Budget, the Finance Minister Nirmala Sitharaman said "To help MSMEs achieve higher efficiencies of scale, technological up gradation and better access to capital, the investment and turnover limits for classification of all MSMEs will be enhanced to 2.5 and 2 times respectively. To improve access to credit, the credit guarantee cover will be enhanced for Micro and Small Enterprises, from ₹5 crore to ₹10 crore, leading to additional credit of ₹1.5 lakh crore in the next 5 years. Investment made to be classified as micro enterprises has been enhanced to ₹2.5 crore from ₹1 crore. Similarly for small enterprises the investment limit has been enhanced to ₹25 crore from ₹10 crore while turnover has been marked up to ₹100 crore from ₹50 crore .For medium enterprises, the investment and turnover criteria has been increased to ₹125 crore and ₹500 crore from ₹50 crore and ₹250 crore.

Currently, over 1 crore registered MSMEs, employing 7.5 crore people, and generating 36 per cent of country's manufacturing, have come together to position India as a global manufacturing hub. Bhadresh Dodhia, Chairman, MATEXIL (Manmade and

Technical Textiles Export Promotion Council) said one of the key highlights of the Budget is the revision of classification criteria for MSMEs, both in terms of investment and turnover. Nearly 80 per of the textiles sector operates within the MSME clusters, and this revision would empower these units to achieve scale, enhance competitiveness and contribute significantly towards making India a global manufacturing hub for textiles, he said. Additionally, the Budget has introduced important amendments in the Basic Customs Duty rates on knitted fabrics, covered under nine tariff lines. The revised rates have been changed from 10 per cent to “20 per cent or ₹115 per kg, whichever is higher.” Furthermore, two more types of shuttle-less looms have been added to the list of fully exempted textile machinery. These moves would enhance the textile sector’s export competitiveness, said MATEXIL chief. The increased fund allocation for key government schemes such as RoDTEP (Remission of Duties and Taxes on Exported Goods), RoSCTL (Rebate on State and Central Taxes and Levies), and Production-Linked Incentive (PLI) Scheme for Textiles will also help the industry, said Dodhia. He expressed confidence that these initiatives will boost the export potential of manmade fibre and technical textiles besides strengthening India’s position in the global markets.

(B.L.3/02/2025)

## PM: Hopeful of achieving Rs9 lakh- cr textile exports before 2030 deadline

Prime Minister Narendra Modi on Sunday said he is optimistic that the textile sector will achieve the Rs 9 lakh crore annual exports target ahead of the 2030 deadline. This assumes significance in view of the General Budget 2025 announcement of a five-year Cotton Mission to increase cotton productivity especially of extra-long staple varieties. It allocated Rs 500 crore for the National Cotton Technology Mission. Speaking at the Bharat Tex 2025, Modi said, "We are currently ranked as the 6th largest exporter of textiles and apparel in the world, with textile exports valued at approximately Rs 3 lakh crore. Our goal moving forward is to triple this figure and achieve exports worth Rs 9 lakh crore. "This success is attributed to the hard work and consistent policies implemented over the past decade, which have led to a doubling of foreign investment in the textile sector during this period. He said, "The way work is being done, I think we will achieve this target ahead of the 2030 deadline. "This success is attributed to the hard work and consistent policies implemented over the past decade, which have led to doubling of foreign investment in the textile sector during this period, he said.

The sector is a major employment generator and contributes 11 per cent to the manufacturing sector. The Union Budget provided for an outlay of Rs 5,272 crore (in Budget Estimates) for the Ministry of Textiles for 2025-26. This is an increase of 19 per cent over Budget Estimates of Rs 4,417.03 crore for the 2024-25 fiscal year. Bharat Tex, being held in New Delhi from February 14-17, is the textile industry's largest event comprising a mega expo spread across two venues and showcasing the entire textile ecosystem. The Bharat Tex is becoming a big global event, with more than 120 nations participating in it, Modi said. India is moving ahead in the direction of manufacturing high-grade carbon fibre, he said. The prime minister also urged the banking sector to provide assistance to textile sector as one unit needs investment of just Rs 75 crore, and gives employment to 2,000 people. He noted that India's textiles and apparel exports registered 7 per cent growth last year. The country is working on creating a skilled talent pool for the textile sector, he noted. "Our focus in on technical textile sector; India making its presence felt in this space," he said. The Prime Minister outlined his 5F vision for the textile sector encompassing -- farm to fibre; fibre to factory; factory to fashion; fashion to foreign. This vision is creating new opportunities for farmers, weavers, designers, and traders, he said. Modi also called upon the textiles industry to collaborate with reputed institutes like IITs to develop new tools

(E.T.17/02/2025)

# Cotton

## Cotton output may gain from higher yield in central and southern parts

The cotton crop for the 2024-25 season is expected to be bigger than the initial estimates on higher yields in the key growing regions of the central and southern parts of the country. The Nagpur-based ICAR-Central Institute of Cotton Research (CICR), the apex research body for the fibre crop, estimates that the crop for the 2024-25 season till September could touch 320 lakh bales (170 kg each), higher than the initial estimates that ranged from 299.36-304 lakh bales. In 2023-24, India produced 325.22 lakh bales. “The crop estimate has been already revised up by 5 lakh bales but our ground reports say it will still be higher due to good yields in central and southern states. We expect it to be about 320 lakh bales,” Y G Prasad, Director, CICR, told business line. Many districts of Maharashtra, Telangana and Karnataka are driving the increase in production. “Well distributed rainfall, coupled with fewer extreme rainfall events in mid-to-late crop season this year, when compared with the previous season, lower incidence of pink bollworm infestation and better crop management by farmers, have contributed to higher yields this year,” Prasad said.

This despite the damage caused by excess rain in parts of Maharashtra and Gujarat. Prasad said the incidence of pink bollworm had come down drastically this year. “The pest incidence is less than 10 per cent up to December.” Increasing farmer awareness, timely management, shifts in the rainfall pattern and early harvest in the previous year contributed to the lower incidence of the pink bollworm (PBW),” he said. The crop harvest was early last year in view of drought. The crop’s lifecycle could not be prolonged in many areas. This helped break the life cycle in PBW. The extended crop gives the inoculum load for the next season, which we have clearly in the North Zone, he said. The Committee on Cotton Production and Consumption (COCPC) estimated production at 299.26 lakh bales for 2024-25, down from 325.22 lakh bales in the previous season. The cotton acreage was 13.6 lakh hectares during the 2024-25 kharif season, down from 126.88 lakh hectares the previous year. The Cotton Association of

India, the apex trade body for the sector, raised its crop estimate up by 2 lakh bales recently to 304.25 lakh bales on account of higher than expected output in Telangana. CAI estimated consumption to be higher by two lakh bales for the year.

(B.L.5/02/2025)

## CCI buys 86 lakh bales of cotton as trader stay away

The Cotton Corporation of India (CCI) has asked farmers not to resort to any distress sale of their produce even as prices are ruling around the Minimum Support Price (MSP) levels. It assured that it will purchase all of the produce that is brought to the designated CCI yards. Trade sources said the bulk of purchases, up to 80 per cent, are being handled by the CCI, with traders involved in purchase of smaller lots. For example, traders purchased 630 quintals of cotton while the CCI purchased 6,837 quintals at the Warangal Market Yard on Monday. “CCI assures all the cotton farmers of the States that it will continue to procure all fair grade cotton till last arrival. The farmers need not make any distress sale of their produce,” the Chief General Manager (Marketing) of CCI said in a communication to farmers.LK Gupta, Chairman and Managing Director of CCI, told business line that the corporation had so far procured 86 lakh bales of cotton across the country. The 86 lakh bales procured this season are significantly higher than the 32.84 lakh bales procured during the entire last season. The farmer’s MSP was increased by 7.5 per cent. Prices for lint cotton were at or even below last year’s levels but seed cotton prices have increased by 7.5 per cent compared to last year. “This increase in MSP has increased our role in supporting the country’s cotton farmers,” Gupta said. “Purchases are ongoing and are likely to continue until March 15. We will remain in the market as long as farmers are offering cotton at the MSP,” he said. “We have a history of never stopping procurement. There were temporary suspensions in a few areas due to a lack of space but these were only for two to four days. By the end of this week, all centres across the country should be functioning normally,” he said. There were some gaps in certain areas, particularly in Maharashtra, where a few factories were closed in the last week of January due to high arrivals. “However, this is routine,” he said.

(B.L.5/02/2025)

### Cotton association cuts crop estimate on lower output in Punjab, Gujarat

The Cotton Association of India (CAI) has lowered its crop forecast for the current season (October 2024-September 2023) to 301.75 lakh bales (of 170 kg) on a drop in production in Gujarat and Punjab. CAI in its latest estimate, after discussion with its members across 11 States, said it was reducing its estimate from the previous 304.25 lakh bales. This is against the Committee on Cotton Production and Consumption, a panel set by the Government, projecting the output at 299 lakh bales. CAI President Atul Ganatra said the association has cut the production estimated in North India, comprising Punjab, Haryana and Rajasthan, by 2.5 lakh bales to 28 lakh bales. It has reduced Gujarat’s output by 5 lakh bales to 75 lakh bales. At the same time, it has increased Telangana’s crop by 5 lakh bales to 47 lakh bales. This will leave Telangana again as the third-largest producer of cotton with Maharashtra retaining its number one slot producing 90 lakh bales. Gujarat, which produced 100 lakh bales a few years ago, will settle for the second slot for another year. CAI, in a statement, said that so far 188 bales have been pressed by ginning mills.

Ganatra said during October 2024-January 2025, the average daily pressing of cotton was 1.56 lakh bales. In January, 54.22 lakh bales were pressed at an average of 1.74 lakh bales a day. He said 85.26 lakh bales of stocks are estimated to be with the trade, ginners and the Cotton Corporation of India (CCI). Ginners across the country are projected to have 10 lakh bales as running stocks. Going by the price trend on Intercontinental Exchange, CCI will likely purchase 95-100 lakh bales of cotton this season under the minimum price support scheme, the CAI president said. According to the CAI balance sheet, consumption is expected to increase by 2 lakh bales this season mainly from large scale units. Offtake by smaller units and non-textile are projected to remain unchanged. Ganata said due to reasonable profits in yarn to spinning mills, cotton consumption reached 30 lakh bales in January. In the four months of the current season, they have consumed 114 lakh bales. Spinning mills are estimated to have 27 lakh bales of cotton as inventories. The association has cut its export estimates to 17 lakh bales against 28.36 lakh bales last season. Ganatra said 8 lakh bales have already been shipped as of January 31 this year. The CAI President said cotton imports will rise this season to 26 lakh bales against 15.2 lakh bales last season. Imports are seen increasing on the heels of a drop in production. In the first four months of the season, 16 lakh bales of cotton have been imported, he said. In view of the lower crop, the closing or carryover stock is projected to be lower at 25.94 lakh bales.

(B.L.15/02/2025)

## INFLATION

The annual rate of inflation based on all India Wholesale Price Index (WPI) number is 2.31% (provisional) for the month of January, 2025 (over January, 2024). Positive rate of inflation in January, 2025 is primarily due to increase in prices of manufacture of food products, food articles, other manufacturing, non-food articles and manufacture of textiles 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 (%) | Nov-24(F) | | Dec-24(P) | | Jan-25(P) | |
| | | Index | Inflation | Index | Inflation | Index | Inflation |
| All Commodities | 100.0 | 156.4 | 2.16 | 155.4 | 2.37 | 154.7 | 2.31 |
| I. Primary Articles | 22.62 | 197.9 | 5.49 | 193.8 | 6.02 | 189.9 | 4.69 |
| II. Fuel & Power | 13.15 | 149.9 | -4.03 | 149.9 | -3.79 | 150.6 | -2.78 |
| III. Manufactured Products | 64.23 | 143.1 | 2.07 | 143.0 | 2.14 | 143.2 | 2.51 |
| Food Index | 24.38 | 200.2 | 8.86 | 195.9 | 8.89 | 191.4 | 7.47 |

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 2.01% to 189.9 (provisional) in January, 2025 from 193.8 (provisional) for the month of December, 2024. Price of food articles (-3.62%) decreased in January, 2025 as compared to December, 2024. The Price of crude petroleum & natural gas (6.34%), non-food articles (0.66%) and minerals (0.22%) increased in January, 2025 as compared to December, 2024.

## Fuel & Power (Weight 13.15%)

The index for this major group increased by 0.47% to 150.6 (provisional) in January, 2025 from 149.9 (provisional) for the month of December, 2024. Price of mineral oils (0.71%) and electricity (0.20%) increased in January, 2025 as compared to December, 2024. The price of coal has remained same as in the previous month.

## Manufactured Products (Weight 64.23%)

The index for this major group increased by 0.14% to 143.2 (Provisional) in January, 2025 from 143.0 (Provisional) for the month of December, 2024. Out of the 22 NIC two-digit groups for manufactured products, 15 groups witnessed an increase in prices, 5 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 other manufacturing; manufacture of food products; machinery & equipment; chemicals & chemical products; pharmaceuticals, medicinal chemical & botanical products etc. Some of the groups that witnessed a decrease in prices were manufacture of basic metals; fabricated metal products, except machinery & equipment; wearing apparel; beverages; and other transport equipment in January, 2025 as compared to December, 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 195.9 in December, 2024 to 191.4 in January, 2025. The annual rate of inflation based on WPI Food Index decreased from 8.89% in December, 2024 to 7.47% in January, 2025.

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

For the month of November, 2024, the final Wholesale Price Index and inflation rate for 'All Commodities' (Base: 2011-12=100) stood at 156.4 and 2.16% 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 |
| 2024 | 83.67 | 106.93 | 90.51 | 55.08 |
| January-25 | 86.25 | 106.57 | 89.27 | 56.60 |
| February-25 | 87.03 | 108.93 | 90.57 | 57.25 |

(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 |
| **Total Synthetic Fibre / Yarn** | **5053444** | **5305587** | **5500245** | **5608730** | **4947603** | **5569500** | **6187000** | **6522000** |
| Viscose Filament Yarn | 45981 | 47373 | 47565 | 47000 | 47000 | 60000 | 57000 | 60000 |
| Regular Viscose Staple Fibre | 364990 | 499000 | 542000 | 566000 | 437000 | 639000 | 759000 | 783000 |
| **Total Cellulosic Fibre / Yarn*** | **410971** | **546373** | **589565** | **613000** | 484000 | 699000 | 816000 | 843000 |
| **Total Man-made Fibre / Yarn*** | **5464415** | **5851960** | **6089810** | **6221730** | **5431603** | **6268500** | **7003000** | **7365000** |

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 |
| **2022** | | | | | | |
| 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 |
| **2023** | | | | | | |
| 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 |
| **2024** | | | | | | |
| 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 |
| **2025(P)** | | | | | | |
| January | 18,623 | 18,564 | 30,491 | 3,81,475 | 3,05,068 | 1,09,732 |
| February | 18,632 | 18,573 | 30,550 | 3,88,342 | 3,05,220 | 1,11,926 |

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

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

(Tonnes)

| Year & | Polyester Staple Fibre | | | Acrylic Staple Fibre | | |
|---|---|---|---|---|---|---|
| Month | Production | Delivery | Avg.Stock | Production | Delivery | Avg.Stock |
| **2022** | | | | | | |
| 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 |
| **2023** | | | | | | |
| 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 |
| **2024** | | | | | | |
| 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 |
| **2025(P)** | | | | | | |
| January | 1,60,439 | 1,76,805 | 77,634 | 8,030 | 8,082 | 3,543 |
| February | 1,58,835 | 1,76,894 | 77,673 | 8,034 | 8,083 | 3,543 |

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 & | Viscose Filament Yarn | | | Regular Viscose Staple Fibre | | |
|---|---|---|---|---|---|---|
| **Month** | **Production** | **Delivery** | **Avg.Stock** | **Production** | **Delivery** | **Avg.Stock** |
| **2022** | | | | | | |
| 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 |
| **2023** | | | | | | |
| 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 |
| **2024** | | | | | | |
| 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 |
| **2025(P)** | | | | | | |
| January | 5959 | 5907 | 3878 | 68126 | 67836 | 17606 |
| February | 5962 | 5910 | 3880 | 68161 | 67870 | 17615 |

P = These figures are provisional
Source:- Internal Source with Our Members.

# PRODUCTION OF SPUN YARN

(Mn. Kgs.)

| YEAR | COTTON | BLENDED | 100% N.C. | TOTAL |
|---|---|---|---|---|
| **2022** | | | | |
| 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 |
| **2023** | | | | |
| 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 |
| **2024** | | | | |
| 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 | 450.18 |
| December | 322.58 | 93.90 | 59.24 | 475.72 |

Source : Textile Commissioner's Office

# IMPORT OF TEXTILE ITEMS

*(Qty in tonne)*
*(Value in Rs. Lakh)*

| Items | 2021-2022 | | 2022-23 | | 2023-24 | | 2024-25 (APR. - OCT.) | |
|---|---|---|---|---|---|---|---|---|
| | Qty | Value | Qty | Value | Qty | Value | Qty | Value |
| ACETATE FILAMENT YARN | 15.98 | 76.77 | 0.30 | 0.78 | 306.51 | 662.31 | 154.97 | 1220.1784 |
| ACETATE STAPLE FIBRE | 44.08 | 555.62 | 846.69 | 1836.33 | 0 | 0 | 0 | 0 |
| ACRYLIC FILAMENT YARN | 21.40 | 16.84 | 0.31 | 1.12 | 0.31 | 1.12 | 0.691 | 3.3044 |
| ACRYLIC STAPLE FIBRE | 31390.93 | 65301.66 | 22367.07 | 45568.40 | 12810.85 | 17964.86 | 6473.073 | 8785.10 |
| CUPROMINUM FILAMENT YARN | 3159.41 | 35163.68 | 3128.77 | 35543.58 | 3043.51 | 41074.09 | 1468.049 | 20832.778 |
| NYLON FILAMENT YARN | 50569 | 135713 | 64297 | 161242 | 56963 | 132155 | 41012 | 9728057 |
| NYLON STAPLE FIBRE | 402.33 | 2773.68 | 5998.52 | 36647.4 | 395.42 | 1460.57 | 2187.343 | 7277.191 |
| OTHER ARTIFICIAL FIBRE | 19871.45 | 45904.87 | 37594.95 | 99038.27 | 30303.7 | 110232.77 | 26643.56 | 51711.096 |
| OTHER RAYON YARN | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| OTHER SYNTHETIC FIBRE | 78.58 | 259.09 | 77.41 | 333.96 | 36.7 | 145.33 | 3.749 | 34.46392 |
| OTHER SYNTHETIC YARN | 8984.11 | 39761.85 | 2669.61 | 18646.58 | 3045.83 | 18962.93 | 4404.967 | 26081.99 |
| POLYESTER FILAMENT YARN | 291117.6 | 328861.74 | 482608.84 | 522204.85 | 488920.66 | 493215.75 | 120391.51 | 155963.72 |
| POLYESTER STAPLE FIBRE | 78310.11 | 78489.30 | 95480.39 | 95659.59 | 54706.85 | 54634.95 | 38774.519 | 39799.781 |
| POLYPROPYLENE FILAMENT YARN | 314.72 | 974.70 | 164.38 | 1092.34 | 263.36 | 391.06 | 215.489 | 413.4694 |
| POLYPROPYLENE STAPLE FIBRE | 2985.92 | 4218.000 | 4771.4 | 6184.79 | 7222.29 | 8171.78 | 3153.96 | 3541.8223 |
| VISCOSE FILAMENT YARN | 40319.65 | 172042.92 | 52287.92 | 271815.65 | 53311.35 | 279389.13 | 34138.793 | 166903.99 |
| VISCOSE STAPLE FIBRE | 17.43 | 76.27 | 49.15 | 267.18 | 71.93 | 299.65 | 205.174 | 1245.1484 |

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 |
| **2022** | | | | | | |
| 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 |
| **2023** | | | | | | |
| 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 |
| **2024** | | | | | | |
| 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 |
| November | 43.39 | 162.69 | 7413.56 | 6998.95 | 576.81 | 765.54 |

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 |
| **2022** | | | | |
| 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 |
| **2023** | | | | |
| 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 |
| **2024** | | | | |
| 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 |
| November | 4131.39 | 8063.14 | 25852.81 | 27484.44 |

Sources : Ministry of Commerce and Industry

## IMPORT OF RAW MATERIALS

(Quantity in Tonnes/Value in Lakh Rupees)

| | 2020-2021 | | 2021-2022 | | 2022-23 | | 2023-24 | | 2024-25 April - October | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Quantity | Value | Quantity | Value | Quantity | Value | Quantity | Value | Quantity | Value |
| Caprolactam | 57649.23 | 55552.67 | 60060.82 | 94382.42 | 22757.30 | 36651.84 | 20987.30 | 29435.45 | 33783.30 | 49877.69 |
| D. M. T | 1766.29 | 982.39 | 1972.76 | 1566.74 | 1933.54 | 2216.65 | 1510.2 | 1952.36 | 1654.03 | 2165.99 |
| M. E. G. | 621220.94 | 226285.95 | 917786.56 | 471777.46 | 1500811.50 | 666600.40 | 1102661.38 | 462698.43 | 655325.25 | 299691.33 |
| P. T. A. | 625460.06 | 245628.5 | 1471141.63 | 847399.84 | 1596467.38 | 1168376.53 | 1623242 | 1094477.36 | 1216332.88 | 836627.52 |

Sources : Ministry of Commerce and Industry

# MONTHWISE IMPORT OF RAW MATERIALS

(Quantity in Tonnes/Value in Lakh Rupees)

| Year & | Caprolactam | | D.M.T. | | M. E. G. | | P. T. A. | |
|---|---|---|---|---|---|---|---|---|
| Month | Quantity | Value | Quantity | Value | Quantity | Value | Quantity | Value |
| **2022** | | | | | | | | |
| 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 |
| **2023** | | | | | | | | |
| 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 |
| **2024** | | | | | | | | |
| 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 |
| November | 7146.01 | 9884.49 | 72.34 | 111.98 | 74335.08 | 35072.29 | 161771.08 | 94213.12 |

Sources : Ministry of Commerce and Industry

# EXPORT OF TEXTILES ITEMS

*(Qty in Tonnes)*
*(Value in Rs. Lakh)*

| Items | 2021-2022 | | 2022-23 | | 2023-24 | | 2024-25 (Apr. - Oct.) | |
|---|---|---|---|---|---|---|---|---|
| | Qty | Value | Qty | Value | Qty | Value | Qty | Value |
| ACETATE FILAMENT YARN | 81.51 | 117.53 | 22 | 92 | 9 | 19 | 36 | 266 |
| ACETATE STAPEL FIBRE | 3.56 | 73.11 | 1418.68 | 2331.39 | 0.43 | 0.60 | 0.00 | 0.00 |
| ACRYLIC FILAMENT YARN | 13.40 | 39.38 | 8.05 | 101.29 | 0.59 | 1.11 | 0.41 | 0.56 |
| ACRYLIC STAPEL FIBRE | 2991 | 6382 | 9743.06 | 19779.79 | 2846.54 | 4432.73 | 1685.21 | 2784.72 |
| CUPROMINUM FILAMENT YARN | 0.00 | 0.00 | 0.78 | 17.44 | 0.00 | 0.00 | 0.00 | 0.00 |
| NYLON FILAMENT YARN | 10779.81 | 33419.12 | 13418.79 | 40670.08 | 15224.70 | 42176.77 | 9697.05 | 27078.10 |
| NYLON STAPLE FIBRE | 7.50 | 112.66 | 7.50 | 45.15 | 4.38 | 25.92 | 51.64 | 60.13 |
| OTHER ARTIFICIAL FIBRE | 49.17 | 88.36 | 2164.71 | 4597.00 | 61637.60 | 98707.66 | 27673.55 | 48292.26 |
| OTHER RAYON YARN | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| OTHER SYNTHETIC FIBRE | 80.97 | 149.70 | 47.47 | 110.01 | 36.31 | 113.91 | 14.19 | 24.62 |
| OTHER SYNTHETIC YARN | 2617.05 | 6081.55 | 3063.08 | 7892.67 | 3682.28 | 9076.02 | 1543.17 | 4275.33 |
| POLYESTER FILAMENT YARN | 699731.11 | 809447.01 | 428405.88 | 541728.27 | 372025.66 | 439308.9 | 267227.9 | 303058.1 |
| POLYESTER STAPLE FIBRE | 383703.11 | 329735.7 | 227366.13 | 228193.67 | 207111.16 | 185685.75 | 159386.38 | 145191.90 |
| POLYPROPYLENE FILAMENT YARN | 797.6 | 1297.12 | 1015.42 | 1629.37 | 2510.93 | 3704.52 | 1892.55 | 2793.79 |
| POLYPROPYLENE STAPEL FIBRE | 10895.86 | 14032.68 | 12126.02 | 16027.55 | 9896.70 | 12607.40 | 6796.24 | 9357.22 |
| VISCOSE FILAMENT YARN | 4508.87 | 14472.87 | 3869.22 | 16860.89 | 4840.09 | 20881.65 | 2862.91 | 12025.82 |
| VISCOSE STAPEL FIBRE | 0.58 | 3.02 | 0 | 0 | 5546 | 10419 | 2499 | 4848 |

Source : Ministry of Commerce and Industry