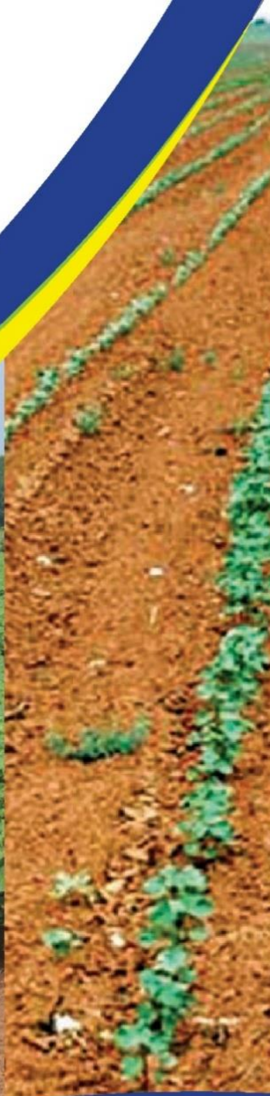
COTTON ASSOCIATION OF INDIA

Established 1921

ISO 9001:2015



News Relating to
Cotton and Textile Sector

Date-21-08-2026

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COTTON ASSOCIATION OF INDIA

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Mumbai, Friday 21st August 2026 at 3.00 P.M.

UPCOUNTRY SPOT RATES

Standard Descriptions with Basic Grade & Staple in Millimetres based on Upper Half Mean Length As per CAI By-laws								Rs. per Quintal	Rs. per Candy	Variation + (Plus) - (Minus)
Sr. No.	Growth	Grade Standard	Grade	Staple	Micronaire	Gravimetric Trash %	Strength / GPT	2025-26	2025-26	
1	P/H/R	ICS-101	Fine	Below 22mm	5.0 – 7.0	4%	15	15044	53500	(N.C.)
2	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	15%	20	13835	49200	(+200)
3	M/M(P)	ICS-104	Fine	23mm	4.5 - 7.0	4%	22	15325	54500	(N.C.)
4	P / H / R(U)	ICS-105	Fine	27mm	3.5 – 4.9	4%	26	18053	64200	(+100)
5	M/M(P) /SA/TL/GUJ	ICS-105	Fine	27mm	3.0 – 3.4	4%	25	15494	55100	(N.C.)
6	M/M(P)/SA/TL	ICS-105	Fine	27mm	3.5 – 4.9	3.5%	26	17800	63300	(N.C.)
7	P/ H/R(U)	ICS-105	Fine	28mm	3.5 – 4.9	4%	27	18728	66600	(+100)
8	M/M(P)	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	19206	68300	(N.C.)
9	SA/TL/K	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	18953	67400	(N.C.)
10	GUJ	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	19178	68200	(N.C.)
11	R(L)	ICS-105	Fine	28mm	3.7 – 4.9	4.0%	27	18700	66500	(+300)
12	R(L)	ICS-105	Fine	29mm	3.7 – 4.9	3.5%	28	19262	68500	(+200)
13	M/M(P)	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	19543	69500	(N.C.)
14	SA/TL/K	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	19234	68400	(N.C.)
15	GUJ	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	19459	69200	(N.C.)
16	M/M(P)	ICS-105	Fine	30mm	3.7 – 4.9	3%	29	19825	70500	(N.C.)
17	SA/TL/K/O	ICS-105	Fine	30mm	3.7 – 4.9	3%	29	19515	69400	(N.C.)
18	M/M(P)	ICS-105	Fine	31mm	3.7 – 4.9	3%	30	20106	71500	(N.C.)
19	SA/TL/K/TN/O	ICS-105	Fine	31mm	3.7 – 4.9	3%	30	N.A.	N.A.	
20	SA/TL/K/TN/O	ICS-106	Fine	32mm	3.5 – 4.9	3%	31	N.A.	N.A.	
21	M/M(P)	ICS-107	Fine	34mm	2.8 - 3.7	4%	33	25786	91700	(N.C.)
22	K/TN	ICS-107	Fine	34mm	2.8 - 3.7	3.5%	34	25870	92000	(N.C.)
23	M/M(P)	ICS-107	Fine	35mm	2.8 - 3.7	4%	35	26208	93200	(N.C.)
24	K/TN	ICS-107	Fine	35mm	2.8 - 3.7	3.5%	35	26320	93600	(N.C.)

Note:1 Official spot rates are fixed and registered by CAI on the basis of average price inclusive of spot brokerage as per respective State Dharas, and for 15 days credit from the date of passing and cash discount @ 15% per annum, except for Northern area (excluding Lower Rajasthan), in which case spot rates fixed and registered are for payment terms: 7 days from the date of pressing at Upcountry Spot Markets ex-gin, excluding Tax. These rates are for domestic transaction only

2 P/H/R(U) ICS-202 (SG) rate is lower by Rs. 1000/ pc than Sr. no. 4

3 Strength:Grams per tex (HVI Mode) (Prorate basis)
a) 1 gpt pts lower Rs 500/pc
b) 2 gpt pts lower Rs 1,000/pc
c) 3 gpt pts lower Rs 2,000/pc
d) 4 gpt pts lower Rs 3,000/pc

4 Staple length : Upper Half Mean Length

5 Gravimetric Trash Percentage

6 Moisture by probe method maximum 9%

7 Base Grade 'Fine' of bulk of the cotton of the staple length range of 29mm to 32mm consists of –
(i) Colour grade 31/3 (ii) RD 75

8 In Rates acceptable up to a maximum 5.50 Micronaire with proportionate discount @ Rs.150/- per point per candy over 4.9 Micronaire

9 For M/M(P)/SA/TL/GUJ-Sr No. 5 are for 67 Rd

10 For Northern Zone (P/H/R(U)-Sr. Nos. 4 and 7 are for 70 Rd

11 For M/M(P)/SA/TL-Sr Nos. 6, 8, 9, and GUJ-Sr No.10 are for 74 Rd

12 For R(L)-Sr. No. 11 is for 72 Rd and 12 is for 73 Rd

13 For M/M(P) and K/TN-Sr Nos. 21 to 24 are for 70-72 Rd

Secretary

ICE Cotton Futures: 20-08-2026

ICE COTTON CLOSE						20 Aug 2026
CONTRACT MONTH	OPEN	HIGH	LOW	SETTLE	CHANGE	Op. Int.
Cotton (CT) - Quote: Cents/Pound - Contract Size: 50,000 Pounds.						
Oct-26	86.38	87.35	86.38	87.02	▲0.02	181
Dec-26	87.73	89.45	87.57	88.34	▼0.01	2,00,169
Mar-27	89.55	91.24	89.43	90.08	▼0.06	83,850
May-27	90.55	92.22	90.50	91.05	▼0.10	34,811
Jul-27	89.74	91.29	89.72	90.18	▼0.06	19,327
Oct-27	0.00	84.22	84.22	84.22	▲0.30	26
Dec-27	79.56	80.50	79.27	80.17	▲0.44	27,356

Cotlook Index: 20-08-2026

98.90 (+3.00)

ICE cotton notices mix trend amid consolidation phases

Fri. 21st Aug 2026, (Source: www.fibre2fashion.com/news)

Insights
ICE cotton futures consolidated after Wednesday's surge, with December 2026 settling at 88.34 cents after testing 89.45 cents per pound.
China's State Reserve logged its 24th straight 100 per cent sold-out auction; USDA export sales reached 280,110 bales for the week ended August 13.
US crop ratings fell to 38 per cent amid Texas heat and dryness, keeping support as December eyes 90 cents.

ICE cotton futures witnessed mixed trend yesterday after strong surge on Wednesday. Several cotton contracts faced consolidation despite intact bullish tone. Consistent buying of Chinese reserve buying indicated continued appetite of consumer industry. Drought worries in the US' cotton growing belt remained supportive factor for the market.

The most active December 2026 contract settled at 88.34 cents down 0.01 cent. The contract earlier reached high of 89.45 cents per pound. December contract briefly challenged the psychological level of 90 cents but then consolidated and remarkably held almost all of Wednesday's massive 294-point gain. Other contracts closed between 10 lower to 41 points higher, with new contract highs continuing across much of the curve.

Volume remained very strong at 61,356 contracts, compared with 71,522 Wednesday. Open Interest increased another 4,591 contracts to 366,462, marking the 14th consecutive increase and taking cumulative growth to 44,734 contracts.

China's State Reserve completed its 24th consecutive 100 per cent sold-out auction. Today's offering of 8,032 tonnes was approximately 35,341 bales, taking the 24-day cumulative total to 192,497 tonnes, or about 846,987 bales.

United States Department of Agriculture (USDA) export sales for the week ended August 13 were also supportive. Total net sales reached 280,110 bales, including 274,216 upland and 5,894 Pima. Of this, 215,254 bales were for 2026-27 and another 64,856 bales were booked for 2027-28, showing that buyers are already committing to forward supplies.

The broader fundamental backdrop remains supportive. US crop conditions have deteriorated, with the latest good rating at only 38 per cent, compared with 40 per cent the previous week and 55 per cent last year. Continued heat and dryness in Texas remain a concern for production.

The market still does not have one clear headline explaining the extraordinary rally. Instead, several factors are working together: deteriorating US crop prospects, tight global stocks, strong Chinese reserve buying, solid export demand, forward bookings, rising Open Interest and a weaker dollar. This combination has allowed prices to climb roughly 11 cents in only seven sessions.

Overall, this was a high-level consolidation rather than a bearish reversal. New highs, very high volume, another large OI increase, consecutive sold-out Chinese auctions and solid export sales all continue to support the bulls. The key question is now whether December can finally clear and hold 90 cents. A sustained break above 90 cents could accelerate momentum further, while a failure below 87.26 cents would increase the probability of profit-taking and a deeper correction towards 86 cents.

This morning (Indian Standard Time), ICE cotton for December 2026 was traded at 88.62 cents per pound (up 0.28 cent), cash cotton at 83.27 cents (up 0.02 cent), the October 2026 at 87.02 cents (up

0.02 cent), the March 2027 contract at 90.42 cents (up 0.34 cent), the May 2027 contract at 91.35 cents (up 0.30 cent), and the July 2027 contract at 90.44 cents (up 0.26 cent). A few contracts remained at their previous closing levels, with no trading recorded so far today.

US cotton shipments surge 58% as demand remains broad-based

Fri. 21st Aug 2026, (Source: www.fibre2fashion.com/news)

Insights
US Upland cotton shipments rose 58 per cent week on week to 222,000 RB, with Vietnam the largest destination.
Net Upland sales for 2026–27 totalled 209,400 RB, below 905,000 RB in the previous week, led by Vietnam, Pakistan and El Salvador.
Pima sales were 5,900 RB and shipments 6,900 RB; forward Upland sales reached 64,900 RB, but China reductions limited bullish sentiment.

US cotton export shipments strengthened during the week ended August 13, 2026, providing a positive demand signal despite a normalisation in new bookings from the exceptionally high opening-week level. Upland exports rose 58 per cent week on week, while sales remained spread across Vietnam, Pakistan, Central America and India, according to the USDA's weekly export sales report. Net sales of Upland cotton for the 2026-27 marketing year totalled 209,400 RB (running bales, each weighing 226.8 kg). Although substantially below the previous week's unusually high bookings of 905,000 RB, the latest sales reflected continued demand from several major cotton-consuming markets.

Vietnam remained the largest buyer with 55,400 RB, including 2,700 RB switched from Indonesia and reductions of 700 RB. Pakistan purchased 51,900 RB, followed by El Salvador with 40,100 RB, Honduras with 27,600 RB and India with 16,500 RB, including 900 RB switched from Bangladesh. The sales were partly offset by reductions for China at 4,800 RB, Mexico at 4,000 RB, Turkiye at 1,200 RB and Hong Kong at 600 RB.

Forward demand also provided support, with Upland cotton sales for the 2027-28 marketing year reaching 64,900 RB. El Salvador accounted for 35,100 RB, followed by Guatemala with 15,400 RB and Honduras with 14,300 RB.

Upland cotton export shipments increased to 222,000 RB from 140,500 RB in the previous report. Vietnam was the largest destination at 66,800 RB, followed by Pakistan with 30,200 RB, India with 28,200 RB, Bangladesh with 22,400 RB and Turkiye with 21,500 RB.

Net sales of Pima cotton for 2026–27 totalled 5,900 RB, compared with 50,600 RB in the previous week. India led purchases with 3,000 RB, followed by Vietnam with 1,800 RB, Djibouti with 600 RB, Peru with 500 RB and Thailand with 400 RB. These sales were partly offset by reductions for Hong Kong and Mexico.

Pima's shipments rose to 6,900 RB from 6,000 RB in the previous report. India received 2,700 RB, Pakistan 2,400 RB, Turkiye and Djibouti 600 RB each, and Bangladesh 200 RB.

The latest report was moderately positive for US cotton market sentiment. The sharp rise in physical shipments demonstrated progress in executing existing commitments, while broad-based Upland purchases and forward bookings from Central America indicated continued overseas interest. However, lower weekly sales and reductions from China limited the strength of the bullish signal.

Philippines' DOST transforms farm waste into textile fibres

Thu. 20th Aug 2026, (Source: www.fibre2fashion.com/news)

Insights
DOST is converting agricultural fibres in Vintar, Ilocos Norte, into yarn and textile products through training and a local Yarn Production Center.
The programme gives rice and vegetable farmers added income beyond crops and connects local fibre extraction with weaving.
PWDs and community weavers are gaining skills as the government pushes local inputs and traditional Filipino designs.

The Department of Science and Technology (DOST) is converting agricultural fibres in Vintar, Ilocos Norte, into yarn and textile products, creating additional livelihood opportunities for farmers and weavers while supporting the local Filipino textile industry.

Through DOST training, rice and vegetable farmers in Vintar are learning to extract fibres from bamboo and other agricultural materials. The technology gives agricultural byproducts added value and enables farmers to earn beyond traditional crop production by taking part in the textile production chain.

The extracted fibres are processed into yarn at the DOST Yarn Production Center in the town, connecting local agricultural output with the weaving sector, as reported by local media outlet.

The facility supports locally sourced materials and uses science-based processing technologies to help sustain traditional Filipino weaving and designs.

Renato U. Solidum Jr., DOST Secretary said: "The directive, through the use of what was previously considered agricultural waste, is to grow the textile industry—the Filipino textile."

The initiative also extends livelihood opportunities to persons with disabilities (PWDs) and other community members. Carolyn Sabado, weaver said: "Before, we just stayed at home. Now we earn and are able to support our parents. We were trained by DOST."

President Ferdinand R. Marcos Jr. witnessed the DOST-supported activities during his visit to Vintar on August 7, 2026, including farmer training in fibre extraction and the operations of the Yarn

Production Center. He emphasised the importance of developing local raw materials and reducing dependence on imported textile inputs.

Ferdinand R. Marcos Jr., President said: “Before, we used to even import raw materials. That shouldn’t be the case. We are very capable of doing it ourselves.”

He also welcomed the establishment of processing centres that allow locally sourced materials to be used while helping revive traditional Filipino designs. “That’s why it is good that we have built processing centers like this so we can source everything locally. These are our traditional designs. We’re very happy that this industry will be revived,” he added.

The programme links agriculture, manufacturing and traditional craftsmanship by turning agricultural waste into higher-value textile inputs and products, while creating new community-level opportunities around fibre extraction, yarn production and weaving.

Telangana Cotton Sowing Surpasses Normal

Fri. 21st Aug 2026, Yash Chouhan (Source: www.smartinfoindia.com)

Cotton and Oilseed Sowing Increases in Telangana Compared to Last Year

In Telangana, cotton sowing has surpassed the normal acreage, whereas oilseed sowing still lags behind the normal area. According to data from the Agriculture Department as of August 19, 2026, cotton has been sown across 48.19 lakh acres in the state, against a normal area of 47.42 lakh acres. This represents 101.63% of the normal area. By the same date last year, cotton sowing covered 44.92 lakh acres; thus, the cotton acreage has increased by 3.27 lakh acres, or 7.28%, this year.

Oilseed sowing has been carried out on 3.88 lakh acres against a normal area of 4.48 lakh acres, which is 86.72% of the normal area. However, compared to the 3.67 lakh acres recorded during the same period last year, the oilseed acreage has increased by 0.21 lakh acres, or 5.72%, this year.

Among oilseeds, soybean—the major crop—has been sown on 3.72 lakh acres against a normal area of 4.17 lakh acres. This stands at 89.21% of the normal area. By the same date last year, soybean sowing covered 3.60 lakh acres; this year, there has been an increase of 0.12 lakh acres, or approximately 3.33%.

Thus, cotton sowing in Telangana has crossed the normal acreage during the current Kharif season. Meanwhile, while the acreage for oilseeds and soybean has increased compared to the same period last year, both crops still trail behind their respective normal areas.

Cotton Price Surge Hurts Textile Industry
Fri. 21st Aug 2026, Yash Chouhan (Source: www.smartinfoindia.com)

Unwarranted Surge in Cotton Prices Puts Textile Industry in Distress

The textile industry is facing difficulties due to an unwarranted rise in cotton prices, despite the central government waiving import duties on the commodity. Kiran Tarlekar, Chairman of the Vita Powerloom Industrial Cooperative Union, has urged the government to intervene immediately and curb the price hike. Cotton prices have currently reached a record high of ₹70,000 per candy.

Tarlekar stated that, according to a report by the All India Cotton Association, the closing stock of cotton for this season is projected to be 9.3 million (93 lakh) bales—68 percent higher than the previous year. Meanwhile, the central government has waived import duties on cotton until October 26. Consequently, cotton imports are estimated to reach a record 6.3 million (63 lakh) bales this year, compared to approximately 4.1 million (41 lakh) bales imported last year.

With the new cotton crop expected to hit the market from October 26, it was anticipated that domestic cotton prices would decline or, at the very least, remain stable. Contrary to this expectation, cotton prices—which were hovering around ₹56,000 per candy—have surged to a record ₹70,000 per candy in recent days.

This one-sided price surge has plunged the entire textile value chain into uncertainty and distress, even though there is adequate cotton stock in the market, imports have increased, and the arrival of the new crop is imminent. Industry stakeholders suspect that large traders are hoarding significant stocks in warehouses to create an artificial shortage, thereby driving up prices.

Separately, the dyeing industry in Rajasthan has been shut down for the past two months due to a Supreme Court order. This has created a problem of accumulated fabric stocks for the simple powerloom sector. Meanwhile, the automatic powerloom industry is also grappling with various challenges. Consequently, decentralized power looms in Vita, Ichalkaranji, Malegaon, Solapur, and Bhiwandi are operating at limited capacity, and the demand for cotton yarn has also been affected.

If this one-sided surge in cotton prices continues, the state's yarn mills—like the power loom industry—could also face a situation where they are forced to halt production. Industry stakeholders have urged the government to examine the cotton price and stock situation and take necessary measures.

Union Minister Shri Shivraj Singh Chouhan participates in the "Krishi Jan Kalyan Samvad" in Patna

Thu. 20th Aug 2026, (Source: www.pib.gov.in)

Integrated farming will reduce farmer's risk and increase their income - Shri Shivraj Singh Chouhan

The Three-Bigha model generates up to ₹2 lakh per family income, interaction highlights successful agricultural research experiments.

Emphasis on Natural farming and branding; Centre and states will jointly give a new identity to farmers' products - Shri Shivraj Singh

I am a servant, one can understand farming only by going to the fields and living in the village - Shri Shivraj Singh Chauhan

Union Minister of Agriculture & Farmers Welfare and Rural Development Shri Shivraj Singh Chouhan has called the farmers the backbone of the country and under the leadership and guidance of Prime Minister Shri Narendra Modi, the Central government is promoting integrated farming and natural farming to increase their income while addressing them at the "Krishi Jan Kalyan Samvad" in Patna today. Citing the examples of ICAR demonstration models and successful farmers of Bihar, he emphasized upon the practical and implementable ways to increase income in small farms. He was accompanied by the Bihar Agriculture Minister Shri Vijay Kumar Sinha, Rural Development Minister Shri Shravan Kumar and Revenue Minister Shri Dilip Jaiswal along with senior officials, agricultural experts, progressive farmers and rural representatives.

Union Minister Shri Shivraj Singh Chouhan met with farmers at the "Krishi Jan Kalyan Samvad" held in Patna, listened to their problems, and also sought their suggestions. He also highlighted the Central government's policies and successful agricultural models. He termed the Farmers as the 'Living God' on earth and serving farmers is his priority. Specifically, for improving the lot of small farmers, Shri Chouhan explained that integrated farming can provide stable income even on small pieces of land. Agriculture Minister Shri Chouhan shared details of integrated farming implemented at

the ICAR Eastern Campus. For example, in a 2-3 bigha model, after paddy, the fields are divided into four sections and planted with wheat, gram, mustard, and maize. Additionally, fish farming in the ponds, poultry units, duck farming, vine vegetables, fruit trees, and fodder fields increase family income in a consecutive manner. In such an integrated model, multiple income sources ensure stable income throughout the year, and many families are able to increase their annual income up to Rs 2 lakh.

Shri Shivraj Singh Chouhan also highlighted the benefits of natural farming and urged farmers to try natural and advanced farming on a small portion of their land before covering their entire land on large farms. He explained that excessive use of chemical fertilizers is degrading the soil health, so it is important to emphasise upon the organic and balanced farming. Union Minister Shri Shivraj Singh also said that the Center and the States will work together on marketing and branding their organic products to help the farmers get better price and recognition.

The Union Minister commended the experiences of progressive farmers during the event i.e. Shri Ramjeet Sharma, Shri Ramkumar Vinay, Sushila Devi Ji, and Shri Sudhanshu. He assured them that the government would take their suggestions seriously. Sharing his experience, the minister explained that he preferred to spend time in the fields, among farmers, rather than in hotels; this allowed him to deeply understand the real condition of the land and their lifestyle. Shri Shivraj Singh Chouhan stated that this interaction was not merely an event, but a means to meet farmers and gain a firsthand understanding of their problems and concerns. He promised to visit Bihar again to see initiatives related to the improvement of soil and the livelihood Bihar farmers, and that concrete steps would be taken to improve farmers' incomes and living standards through Central-state cooperation.

Bangladesh's textile sector calls for tighter yarn import rules
Fri. 21st Aug 2026, (Source: www.fibre2fashion.com/news)

Insights
Bangladesh textile millers have urged the government to withdraw the bonded import facility for 10–30 count yarn, arguing that cheaper imports are hurting domestic spinners.
The BTMA also sought tighter controls on yarn imports, a review of fabric wastage allowances and import policies, while industry leaders called for cheaper export finance and reliable energy supplies.

Bangladesh textile millers have urged the government to withdraw the bonded import facility for 10-30 count yarn, making import controls a key issue for the country's textile and garment supply chain as local spinning mills face growing pressure from cheaper imported yarn.

Showkat Aziz Russell, president of the Bangladesh Textile Mills Association (BTMA), raised the demand at the first co-ordination meeting of the textile and garment sector, an initiative of Prime Minister Tarique Rahman to address industry challenges.

The meeting was chaired by Commerce Minister Khandakar Abdul Muktadir, who also heads the committee at the Commerce Ministry.

The BTMA argued that domestic spinning mills have sufficient capacity to supply 10-30 count yarn, which is widely used in the industry.

Millers said cheaper imports, including consignments allegedly cleared through misdeclaration, have been putting additional pressure on local spinners, reported local media outlets.

Leaders of the BTMA, Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) attended the meeting.

The BTMA also called for a review of wastage allowances for knit fabrics, alleging that some traders sell fabrics in the domestic market after importing them under the bonded facility. The allowable wastage rate was increased to 32 per cent from 16 per cent in 2021.

The association further demanded that non-bonded companies using bank guarantees to import raw materials be required to meet a 30 per cent value-addition condition. It also urged the government to review the Import Policy Order 2026-29 in consideration of the textile sector's interests.

The Commerce Ministry has separately sought instructions for customs houses to ensure that the cotton yarn count is clearly stated in the commercial description of import bills of entry. Yarn count is a technical measure of yarn thickness and fineness, with 10–30 count generally classified as medium to coarse yarn and widely used as a raw material in Bangladesh's knitwear sector.

The government has been considering tighter controls on yarn imports, restrictions on duty-free yarn imports and incentives to encourage the use of locally produced yarn, amid concerns over rising imports, particularly subsidised supplies from India, as per local media reports.

At the meeting, textile and garment industry leaders also called for an increase in the Export Development Fund and for loans under the fund to carry an interest rate of 2 per cent. They also sought reliable energy supplies to prevent factories from keeping production lines idle.

BGMEA President Mahmud Hasan Khan said after the meeting that the BGMEA and BTMA had reached consensus on almost all issues, with only a few matters remaining unresolved.

BKMEA President Mohammad Hatem urged the government to revise the conditions attached to cash incentives for export-oriented garment products using locally produced yarn.

BGMEA Vice-President Md Shehab Udduza Chowdhury said many factories had been unable to access loans under the government-sponsored stimulus package because of stringent eligibility conditions.

Bangladesh's ready-made garment (RMG) industry is the world's second-largest apparel exporter. Local textile mills meet about 60 per cent of the country's woven-fabric demand and almost the entire yarn requirement of the knitwear sector. However, spinning mills have faced severe financial pressure for more than a year, with some reportedly selling yarn below production cost to remain competitive.

India's import reliance exposes vulnerabilities beyond energy: Crisil

Fri. 21st Aug 2026, (Source: www.fibre2fashion.com/news)

Insights India's dependence on imported energy and industrial inputs leaves the economy exposed to global disruptions, with mining and manufacturing the most import-dependent major sectors. Crisil said diversification, strategic reserves and stronger domestic production are crucial to reduce supply shocks, inflation risks and reliance on critical imports.

India’s high dependence on imported energy and industrial inputs leaves the economy vulnerable to global disruptions, with manufacturing and mining emerging as the country’s most import-dependent major sectors, according to a Crisil Quickonomics report.

The report found that 35.4 per cent of India’s mining supply and 13.8 per cent of manufacturing supply was met through imports in 2023-24, compared with 10.8 per cent for public administration, defence and other services and just 1.9 per cent for agriculture and allied activities.

Manufacturing faces significant exposure to imported inputs. Energy remains the biggest vulnerability, while dependence on strategic technology inputs is also significant.

Within mining, crude oil is the largest import-dependent product, with 85-90 per cent of domestic requirements met through imports. Natural gas accounts for 66.1 per cent of domestic supply and copper ore for 68.8 per cent.

The report identified food, energy and new-age strategic sectors as key prerequisites for economic security. While only 1.9 per cent of agricultural and allied supply is imported, edible-oil imports accounted for 56.2 per cent of domestic consumption in fiscal 2024, while fertiliser import dependence stood at 31.3 per cent.

Crisil noted that geopolitical tensions and growing trade protectionism are increasing risks to global supply chains and commodity markets. International prices for energy, food, fertilisers and metals have remained elevated since 2021, while restrictive trade measures have expanded faster than trade-liberalising measures since then.

The report said excessive dependence on critical imports is no longer simply a trade issue, as disruptions can create supply shocks that simultaneously affect economic growth and inflation. It recommends diversifying import sources, strengthening strategic reserves and expanding domestic production capacity wherever feasible.

Government initiatives including the Production-Linked Incentive (PLI) scheme, Electronic Component Manufacturing Scheme, India Semiconductor Mission and Rare Earth Permanent Magnet Scheme are aimed at building domestic capabilities and reducing strategic import dependence.

Sanathan Textiles Expands Technical Textiles Production at Silvassa

Fri. 21st Aug 2026, (Source: www.indiantextilemagazine.in)

Sanathan Textiles Limited has commenced commercial production from its expanded Technical Textiles yarn manufacturing capacity at its Silvassa facility. The expansion doubles the Company's Technical Textiles yarn capacity from 9,000 MTPA to 18,000 MTPA and takes total installed capacity across all three yarn verticals for both locations (Silvassa and Punjab) to 488,250 MTPA. The expanded capacity strengthens Sanathan Textiles' integrated manufacturing platform and provides capacity to address evolving market requirements across a range of specialised applications.

Technical Textiles is a high-growth segment, with Sanathan Textiles' yarns used across automotive, agriculture, defence, infrastructure, roads and railways, sportswear, healthcare and industrial safety applications, as well as protective and strategic end-uses such as fire-retardant wear.

With over three decades of operations, today, Sanathan Textiles is among the leading yarn manufacturers India that has strong presence across three yarn segments namely that are polyester filament yarns, cotton yarn and yarns for technical textiles, thereby contributing significant value to the textile ecosystem.

The Company has its strategically located manufacturing facilities in Silvassa and Punjab. These facilities are technologically advanced with automated warehousing transportation and package handling systems.

Sanathan Textiles has a diverse product portfolio catering across various sectors with more than 3,200 yarn products and nearly 50,000 SKUs. The Company has over 7,000 customers, 400+ distributors across India and exports to around 27 countries.

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businessline – 21.08.2026

India, Japan agree to safeguard undersea communication cables

Dalip Singh
New Delhi

With the ongoing US-Iran conflict severely threatening critical sea lines of communication (SLOCs), India and Japan have affirmed to strengthen coordination between both sides for the protection of undersea communication infrastructure through mutual visits by naval ships and units.

This emerged during the bilateral meeting between Defence Minister Rajnath Singh with his Japanese counterpart Shinjiro Koizumi in New Delhi on Thursday.

At the bilateral meeting, the Ministries of Defence of the two countries signed a memorandum of arrangement on maritime security co-operation. Both Ministers concurred on deepening operational co-operation in an effective manner, as per a joint statement issued by the Defence Ministry.

India and Japan rely on sea lines of communication for most of their trade, making maritime traffic security central to their individual national defence strategy.

Due to that, both sides are trying to pool their respective operational capabilities to focus on choking-point surveillance, multi-domain tracking and quick-response escort missions in case of any lurking threat. They could damage communication infra through ship anchor drag, deep-sea sabotage and geopolitical blockades.

MINE DEFENCE

For protection of maritime assets, both sides also agreed to maximise synergies to enhance mine countermeasure capabilities — the need for which was again felt following the West Asia conflict.

STRENGTHENING TIES. Defence Minister Rajnath Singh with his Japanese counterpart Shinjiro Koizumi during a bilateral meeting in New Delhi on Thursday ANI

It demonstrated the strategic lethality of naval mines, which Iran effectively used to disrupt maritime traffic and enforce a selective blockade in the Strait of Hormuz.

NAVAL SHIPBUILDING

The two countries also agreed to explore the possibility of joint development in naval shipbuilding and design by leveraging Japan's technological expertise and India's production capabilities in accordance with their respective relevant policies, the joint statement stated, reflecting the deepening of ties as Tokyo looks for alternative military industrial engagement overcoming its sole reliance on the US.

Given that the two sides are working for the co-production of the Unified Complex Radio Antenna (UNICORN) mast announced earlier, the statement said both were of the common view over leveraging each other's strengths in the field of defence shipbuilding and related areas and deepen discussions on Japan's use of India's production capabilities under the framework of "Make in India".

The DRDO and Japan's ALTA will intensify engagement to explore advanced technologies. Both Ministers also concurred on progressing reciprocal provision of ship repair facilities. Earlier, Koizumi appreciated the "high capabilities and strong morale of the Indian armed forces" and Navy chief Krishna Swaminathan during his previous day's visit to the Western Naval Command and the destroyer *INS Chennai*. "I can say that Swaminathan is a great person, not only as an Admiral but also as the host of yesterday's visit and today's visit. I have a special place for India in my heart."

"On August 6, 2018, I visited India with fellow Members of Parliament and participated in a memorial ceremony for the victims of the atomic bomb. India is probably the only Parliament outside Japan that holds such a ceremony every year, and I would like to express my respect and gratitude for this tradition," he said while insisting that he was willing to work with the Indian Defence Minister to elevate the partnership to a level it should be.

Singh said that the coming together of India's Mutual and Holistic Advancement for Security and Growth Across Regions (MAHASAGAR) vision and Japan's Free and Open Indo-Pacific (FOIP) initiative is "more important now than ever before" as maritime lifelines are facing growing vulnerabilities.

businessline – 21.08.2026

Indian exports to Australia surge 200% in 5 years; CECA talks to widen trade: Australian diplomat

Our Bureau
Ahmedabad

India's exports to Australia have surged around 200 per cent over the past five years, significantly outpacing India's exports to the rest of the world during the period, Australian diplomat Christian Jack said on Thursday, attributing the sharp expansion to the India-Australia Economic Cooperation and Trade Agreement (ECTA).

The two countries are now looking to build on the gains from ECTA through a broader Comprehensive Economic Cooperation Agreement (CECA) covering areas including services, the digital economy and movement of people.

"India's exports to the rest of the world have grown by more than 40 per cent in the last five years, while in the same period, India's exports to Australia have grown by 200 per cent. Because of ECTA, the growth in our trade relationship has increased significantly relative to growth in India's trade relationships with the rest of its trading partners. Our two-way trading relationship is now past AUD 50 billion which is around ₹3 lakh crore and our ministers have committed to increase it to AUD 100 billion by this decade-end. We are looking at ECTA to be the engine of that growth, Jack, Deputy Consul General at the Australian Consulate-General in Mumbai, said while addressing the 3rd edition of the CII Gujarat Export Conclave 2026 in Ahmedabad.

Both nations are now looking to build on the gains from ECTA through a broader CECA covering areas including services, digital economy and movement of people

"The bilateral relationship is leading to a stage of delivery," Jack said, adding that ECTA, which came into force in December 2022, had been instrumental in accelerating bilateral trade. From January 1, 2026, Indian exports entering Australia under ECTA are subject to zero tariffs, he said. The agreement's utilisation rate is also "significantly high" at around 86 per cent, according to Jack, who said this was higher than the utilisation seen under India's other trade agreements and, in some cases, more than double.

FOCUS AREAS

The growth has been visible across several sectors. India's automotive exports to Australia have doubled, while agricultural exports have increased by around 20 per cent, Jack said.

However, Australia is now seeking to build on ECTA through a broader CECA. While ECTA had a strong focus on goods trade, the proposed CECA would expand co-operation into services, the digital economy and movement of people, among other areas.

"There have been a range of different rounds of negotiations on this agreement. Prime Minister Narendra Modi was very keen to get this across the line when he was in Australia recently. He has given very clear instructions to the Indian side to finalise this deal, as we have received very clear instructions from our side," Jack said.

He attributed the strengthening India-Australia relationship to four broad drivers — strategic alignment, economic complementarity, the growing Indian diaspora in Australia and tourism.

The diplomat also highlighted an emerging sports and infrastructure partnership between Australia and Gujarat.

Australian architecture firm Cox Architecture is working on the Sardar Vallabhbhai Patel Sports Enclave at Motera in Ahmedabad, which Jack said is expected to be a centre for the 2030 Commonwealth Games. The firm is also involved in the Brisbane stadium that will host the 2032 Olympic Games.

SPORTS ECOSYSTEM

Australia and Gujarat are also planning a high-level sporting delegation to Australia in the first half of 2027, Jack said.

The delegation is expected to bring together the broader sports ecosystem and examine Australia's experience in sports infrastructure and management in Brisbane.

businessline – 21.08.2026

Southern States main pillars of India's growth, says Amit Shah

CONSTRUCTIVE SOLUTIONS. Home Minister calls for resolution of pending water disputes through dialogue

Our Bureau
Chennai

The southern States are the main pillars of India's development, Union Home Minister Amit Shah said, calling for early resolution of pending water-related issues concerning the States through joint meetings involving the Ministries of Jal Shakti, Home Affairs, the Inter-State Council, and the respective States.

Shah was chairing the 31st meeting of the Southern Zonal Council at Mamallapuram near Chennai, which was attended by the Chief Ministers of Tamil Nadu, Andhra Pradesh, Karnataka and Keralam, the Deputy Chief Minister of Telangana, Puducherry Lieutenant Governor, Andaman and Nicobar Islands Lieutenant Governor, and others.

"Protecting the interests of one's State is not wrong; however, if the process of protecting interests results in States being deprived of water for years while it simply flows into the sea, then no actual interest is being served," Shah said, as per an MHA statement.

Union Home Minister Amit Shah with TN CM C Joseph Vijay at the meeting of the Southern Zonal Council PTI

LINKING RIVERS

He suggested that linking major rivers, from the Brahmaputra to the Kaveri and Godavari, could ensure that India faces no water shortage for the next 100 years.

The Southern States agreed with the Home Minister's suggestion to resolve pending water disputes expeditiously through mutual dialogue and constructive solutions, the MHA said.

Shah also called for cooperation in the matter of eradicating drugs, another key issue put forward by the States. The MHA has prepared a three-year roadmap for a drug-free India and that is not possible without the involvement of all States, Shah said.

Hosted by Tamil Nadu, the event saw CMs stress on the need for greater cooperation between themselves. They also flagged the strong contribution of the States to India's development and used the platform to lay down long-pending inter-State issues that needed resolution and areas where better joint action could yield better results.

LOGISTICS CLUSTERS

TN CM C Joseph Vijay proposed common economic and logistics clusters across the southern States, comprising manufacturing zones, shared multimodal logistics parks and corridors that link each of their production centres to global markets.

Karnataka CM DK Shivakumar said he had given a commitment that the interests of Tamil Nadu and Puducherry will be protected in the proposed Mekedatu dam issue.

Telangana Deputy CM Mallu Bhatti Vikramarka identified water security, energy and economic competitiveness as areas that will increasingly transcend State boundaries, and needed cooperation. "If southern India grows together, India grows faster," he said.

Keralam CM VD Satheesan pushed for greater fiscal fairness, stronger Centre-State relations, and coordinated action on issues such as drugs, organised crime and illegal migration.

Andhra Pradesh CM Chandrababu Naidu put forward a roadmap to build a \$10 trillion southern economy by 2047. This includes proposals such as a high-speed bullet train corridor *via* Kuppam joining Andhra Pradesh, Karnataka and Tamil Nadu, shared logistics networks, and a mutual-aid force for disasters.

Telangana offered to host the next Southern Zonal Council in Hyderabad.

businessline – 21.08.2026

DGFT eases rupee trade regulations for exporters

Our Bureau
New Delhi

The Directorate General of Foreign Trade (DGFT) has eased rules governing rupee-based export transactions, allowing Indian exporters greater flexibility to invoice overseas sales and receive payments in rupees or foreign currencies, while giving eligible rupee receipts the same treatment as foreign currency earnings for trade policy benefits.

"The Foreign Trade Policy (FTP) 2023 has been amended to align the provisions relating to denomination of export contracts and eligibility for FTP benefits in respect of export realisations in rupees with the Foreign Exchange Management (manner of receipt and payment) Regulations, 2023," according the DGFT notification issued on Thursday.

Under the revised framework, exports to countries outside the Asian Clearing Union (ACU) can be invoiced in rupees or any foreign currency, with payments also permitted in either currency. More importantly, rupee payments received through approved banking channels for exports to countries other than Nepal and Bhutan will qualify for FTP benefits and count towards fulfilment of export obligations.

BANKING CHANNEL

"Earlier, exporters receiving rupee payments through an RBI-approved banking channel were not always certain whether such receipts would qualify for FTP benefits or count towards their export obligations. The new rules remove this uncertainty by placing eligible rupee receipts on par with foreign-currency earnings," according to an analysis by research body GTRI.

The notification also permits exports financed through EXIM Bank or government of India lines of credit to be invoiced in rupees. There are separate rules for the ACU, which includes Bangladesh, Bhutan, India, Iran, Maldives, Myanmar, Nepal, Pakistan and Sri Lanka.

For exports to Bangladesh, Iran, Maldives, Myanmar, Pakistan and Sri Lanka, contracts must use a currency determined by the ACU. However, invoicing and settlement may also follow directions issued by the Reserve Bank of India.

Nepal and Bhutan are treated separately. Export contracts with these two countries must generally be denominated and settled in rupees or according to RBI directions.

IRAN COVERED

Iran is covered by the ACU rules, but trade in sensitive goods and technologies must continue to comply with provisions covering specified items linked to nuclear activities.

GTRI noted that earlier exporters receiving rupee payments through an RBI-approved banking channel were not always certain whether such receipts would qualify for FTP benefits or count towards their export obligations. The new rules remove this uncertainty by placing eligible rupee receipts on par with foreign-currency earnings.

However, the report cautioned the move does not resolve the commercial difficulties surrounding rupee trade. "Foreign buyers struggle to obtain rupees, while overseas banks may hesitate to hold large rupee balances because the currency is not fully convertible. Exchange-rate risks, expensive hedging, complex banking procedures and the continued global preference for the US dollar may further limit acceptance of rupee settlement," it stated.

businessline – 21.08.2026

Dubai Chambers signs two MoUs to enhance trade ties with India

Our Bureau
Bengaluru

Dubai Chambers, a non-profit public entity that supports Dubai's vision as a global player by empowering businesses, delivering innovative value-added services, and unlocking access to influential networks, has signed two memorandums of understanding (MoUs) during a high-level visit to Bengaluru to advance collaboration in agentic AI, strengthen trade and investment between Dubai and India, and support business expansion.

The agreements were signed with the National Association of Software and Service Companies (NASSCOM) and the Federation of Karnataka Chambers of Commerce and Industry (FKCCI).

As part of the visit, a delegation headed by Mohammad Ali Rashed Lootah, President and CEO of Dubai Chambers, held eight meetings with leading Indian business organisations and multinational companies.

The programme included engagements with Nasscom Deeptech, the Confederation of Indian Industry Karnataka State Council (CII Karnataka), FKCCI, and the Federation of Indian Chambers of Commerce and Industry Karnataka State Council.

AI DRIVE

The MoU with NASSCOM establishes a framework for cooperation in agentic AI and deeptech. It aims to support market access for Indian companies seeking to establish and expand in Dubai. The agreement also promotes knowledge sharing, ecosystem engagement, innovation initiatives, and strategic industry collaboration. It includes AI-focused meetings, networking events, and other engagements designed to connect companies and stakeholders in India and Dubai.

The MoU supports Dubai's wider drive to accelerate the adoption of agentic AI across the private sector and strengthen the emirate's position as a leading global centre for advanced technologies.

businessline – 21.08.2026

India, Singapore discuss key economic ties

Press Trust of India
Singapore

Singapore and India on Thursday discussed co-operation in advanced manufacturing, semiconductors, connectivity, digitalisation, fintech and clean energy at the fourth India-Singapore Ministerial Round table (ISMR) in Singapore.

External Affairs Minister S Jaishankar, Finance Minister Nirmala Sitharaman, Commerce and Industry Minister Piyush Goyal and Minister of State for Electronics and IT Jitin Prasada represented India. Singapore's delegation was led by Deputy Prime Minister and Trade and Industry Minister Gan Kim Yong and included Coordinating Minister for National Security and Home Minister K Shanmugam, Foreign Minister Vivian Balakrishnan, Digital Development and Information Minister Josephine Teo and Transport Minister Jeffrey Siow.

EXPANDING CO-OPERATION. Finance Minister Nirmala Sitharaman at a meeting with Singapore PM Lawrence Wong, in Singapore on Thursday. External Affairs Minister S Jaishankar and Commerce Minister Piyush Goyal were also present

"Our discussions explored deeper ties in advanced manufacturing, semiconductors, connectivity, digital, fintech, skilling, green economy and clean energy domains," Jaishankar posted on X after the meeting.

SIX PILLARS

Gan said the talks focused on six pillars: Sustainability, digitalisation, skills development, healthcare and medicine, advanced manufacturing and connectivity.

On advanced manufacturing, he said several semiconductor manufacturers had invested in India since the two countries signed an MoU in 2024.

The Ministers also discussed easing market access for companies and expanding skills training for India's workforce.

"We hope to be able to establish training centres for semiconductors, particularly," Gan said.

On digitalisation, Gan said cooperation between Singapore's PayNow and India's UPI had progressed well.

Singapore and India signed two MoUs on Thursday. An MoU between the Singapore Food Agency and the Food Safety and Standards Authority of India seeks to strengthen technical cooperation and facilitate agri-food trade.

businessline – 21.08.2026

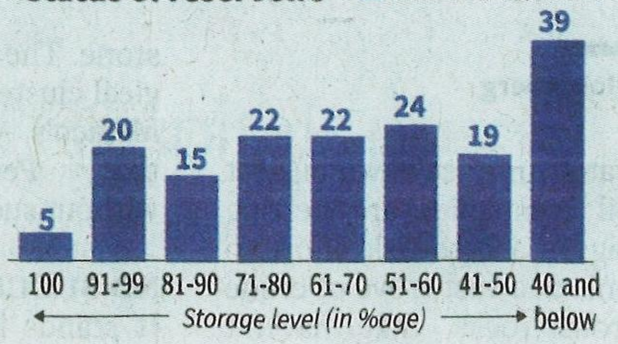
Improving water levels

Storage in India's 166 key reservoirs crossed 60 per cent of capacity this week, though 35 per cent of the reservoirs were less than half full.

The reservoirs held 117.773 billion cubic metres (BCM), or 64.16 per cent of their combined capacity of 183.565 BCM, according to data from the Central Water Commission (CWC). Five reservoirs were full, while 20 had storage above 90 per cent of capacity. However, overall storage was 18 percentage points lower than last year and three percentage points below the normal level. Reservoir storage continued to rise as the South-West monsoon remained active, defying forecasts of a weak season. As of August 20, the monsoon was 13 per cent deficient, with the deficit widening to 26 per cent in East and North-East India and 22 per cent in peninsular India.

A low-pressure area bringing rainfall over eastern and north-eastern India is expected to support a further rise in reservoir levels.

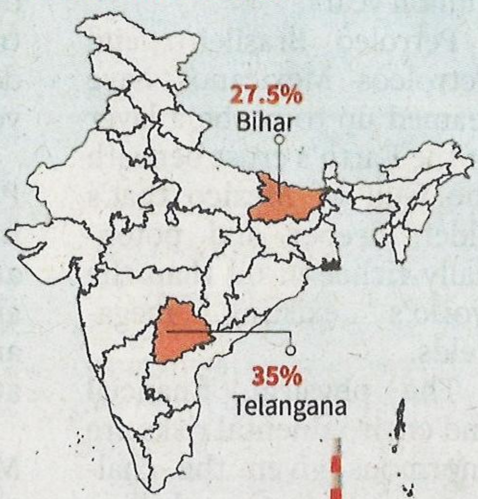
Status of reservoirs

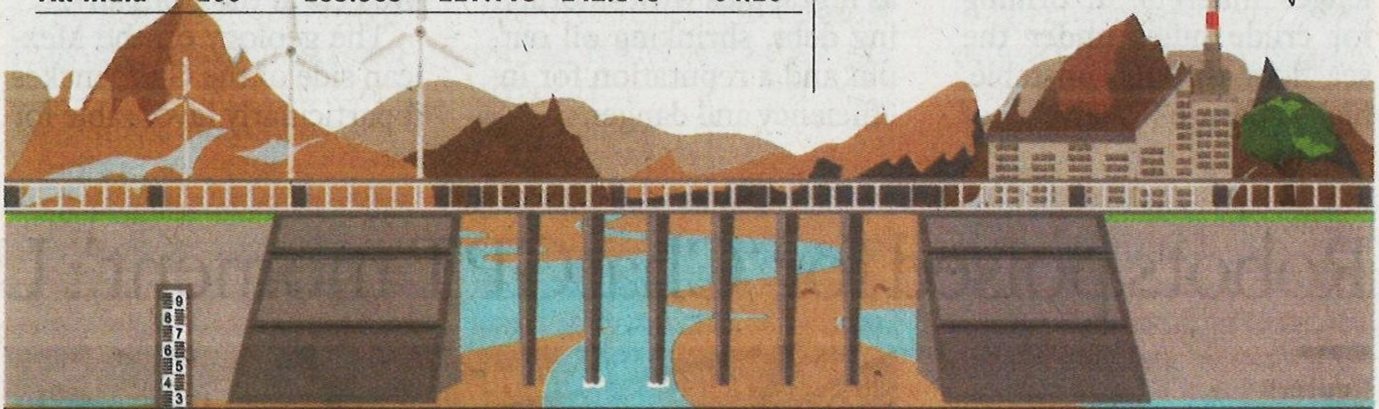


Region-wise storage

Region	Number of reservoirs	Live capacity (in BCM*)	Storage (in BCM)	Storage last year (in BCM)	%age level to capacity
Northern	11	19.836	11.306	16.604	57
Eastern	27	21.759	12.695	12.648	58.34
Western	53	38.094	30.742	31.005	80.7
Central	28	48.588	31.947	37.017	65.75
Southern	47	55.288	31.083	45.074	56.22
All-India	**166**	**183.565**	**117.773**	**142.348**	**64.16**

Worrisome States





Shetrunji (Gujarat), Salaulim (Goa), Sapua (Odisha), Panchet Hill (Jharkhand) and Veer Dam (Maharashtra) are full

*Billion cubic metres Source: Central Water Commission

businessline – 21.08.2026

Sri Lanka emerges an additional manufacturing base for TN apparel makers to augment capacity

T E Raja Simhan
Chennai

Sri Lanka is emerging as more than an alternative manufacturing destination for Tamil Nadu's apparel industry, with companies viewing the island nation as a complementary production base that could support growth, mitigate tariff risks and offer customers greater sourcing flexibility.

For Avinashi-based SP Apparels Ltd, Sri Lanka is already becoming an important growth platform.

The manufacturer and exporter of knitted garments for infants and children expects its Sri Lankan operations to contribute ₹150-200 crore in revenue by March 2027, as the factories acquired and integrated over the past year-and-a-half move towards full operational efficiency. Chairman and Managing Director P Sundararajan said delivery performance, productivity and quality had improved, with the factories now operating at near full efficiency.

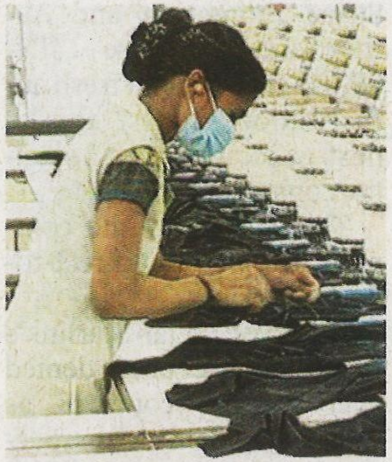
SP Apparels currently has around 1,650 machines in Sri Lanka, of which about 1,300 are being deployed for exports, he told analysts.

EXPANSION

The factories receive base orders from India, along with the required raw materials, while shipments have remained on schedule.

SP Apparels is also exploring ways to expand its Sri Lankan manufacturing footprint without committing substantial fresh capital. It plans to work with customer-approved factories on a job-work basis, allowing it to add capacity. The company expects this model could add another 500-600 machines within a year.

At the same time, its existing machinery base in Sri



Lanka could be expanded to 2,000 machines, providing additional capacity as demand improves, said Sundararajan.

The strategy effectively creates a dual-country manufacturing network, with Sri Lanka complementing the company's established production base in India, he said.

Chennai-based premium apparel manufacturer Meenakshi India Ltd entered into a contract manufacturing deal with a Sri Lankan factory last year.

Ashutosh Goenka, Chairman and Managing Director, Meenakshi India, said the company entered into the arrangement when the US imposed 50 per cent tariffs on India.

DUTY-FREE ACCESS

With the tariff situation changing, Sri Lanka's relative advantage has narrowed. Sri Lanka enjoys duty-free access to the European Union for its apparel exports, while Indian apparel faces duties of around 8-12 per cent.

Goenka said the India-EU FTA, once operational, could bring India closer to Sri Lanka in terms of market access.

"Organically, Sri Lanka is neither cheaper nor better than India. It is the duties and tariffs that make it preferred over India," he said.

Tecoya Trend – 21.08.2026

India's expanding FTA network is opening a major new opportunity for the apparel industry: AEPC Chief

MUMBAI, AUG 20— India's expanding FTA network is opening a major new opportunity for the apparel industry. Once the proposed agreement with the European Union is finalised, India will have recently signed FTAs with 38 countries, including the 27 EU member states, covering around 65 per cent of the global population, according to Dr. A. Sakthivel, Chairman, Apparel Export Promotion Council (AEPC)

Addressing the a seminar organised by AEPC on "Unlocking Growth Opportunities: FTA Utilization for Apparel Exporters" in Tiruppur as part of its Pan India Seminar Series, AEPC Chairman noted that these markets offer significant potential for Indian apparel as they do not have comparable apparel manufacturing capacity.

Dr. Sakthivel urged exporters to prepare for the opportunity by increasing capacity, improving competitiveness and actively exploring new markets. He said AEPC is encouraging exporters to participate in international fairs and is also facilitating buyer visits to India and Tiruppur.

"Prepare yourself for export. Increase your capacity. I will make sure you will not be disappointed. The future is ours," Dr. Sakthivel said, expressing confidence in the growth prospects of the Indian apparel industry.

Mr. Mithileshwar Thakur, Secretary General, AEPC, highlighted the need to move beyond merely signing trade agreements and focus on their actual utilisation by exporters. He said that the real benefit of an FTA is realised only when exporters are able to identify applicable preferences, meet Rules of Origin and sourcing requirements, complete documentation and compliance requirements, and successfully claim the preferential tariff.

He emphasised that FTA utilisation needs to begin at the product and sourcing stage, with exporters factoring tariff preferences and origin requirements into product costing, pricing and buyer negotiations from the outset.

Mr. D. Sridhar, ITS, Additional DGFT, Coimbatore, said India's recent FTAs, particularly the India-UK CETA, have opened a major opportunity for Tiruppur's apparel exporters by improving their competitiveness in the UK market, with nearly 99 per cent of goods gaining zero-duty access.

He said the India-EU agreement, expected to be a major game-changer when it comes into effect, could further expand market opportunities for Indian apparel. However, he cautioned that preferential access can only be converted into business if exporters understand and comply with key requirements, particularly correct HS classification, Rules of Origin and Certificates of Origin.

Mr. Sridhar highlighted the DGFT's digital platform for

Continued on Page 3

Tecoya Trend – 21.08.2026

FTA network is opening a major new opportunity

Continued from Page 1 Col 6

seamless, paperless self-certification and urged exporters to prepare their documentation and systems now rather than wait for the EU agreement.

"Get ready for 2027," he said, stressing that the Government has done its part at the negotiating table and the opportunity now rests with industry to convert it into orders, jobs and growth.

Dr. Sanjay Kumar Mangla, Associate Professor, Economics and International Trade, Symbiosis Institute of Management Studies (SIMS), delivered a detailed technical presentation on the practical aspects of FTAs and their utilisation by exporters. He emphasised that while India's expanding FTA network creates a major new growth opportunity, duty-free or preferential market access alone does not guarantee export success. Exporters need to identify the right products and markets, correctly apply Rules of Origin and Product-Specific Rules, understand requirements such as Change in Tariff Heading (CTH) and Qualifying Value Content (QVC), maintain robust documentation and strategically manage sourcing.

Dr. Mangla also highlighted the potential of the India-UK CETA and the emerging India-EU trade framework to strengthen India's competitive position in major apparel markets.

A presentation by Kotak Mahindra Bank was also part of the programme, followed by an interactive Q&A session that enabled participating exporters to discuss practical issues and seek greater clarity on the effective utilisation of FTAs.

Tecoya Trend – 21.08.2026

Beyond sustainability: Rethinking How Textile Brands Engage Gen Z

By Pulkit Mehta

For much of the last decade, the textile industry's conversation with younger consumers has centered on one word: sustainability. While it remains true that Gen Z cares about sustainability, focusing too narrowly on this point risks overlooking a larger shift in consumer expectations that has been quietly unfolding over the past decade.

The core shift is not merely in product preferences, but in what Gen Z expects from the brands it supports: a more meaningful relationship built on shared values and active participation. Sustainability is important, but increasingly as a foundation for trust upon which this relationship is built rather than as a product feature used to justify a significant premium.

As a result, the product is taking on a new role. It remains important, but it is increasingly the starting point rather than the destination. Consumers want to know where it came from, who made it, why it exists, and what the company behind it believes. And increasingly, they want to be part of the story themselves through helping brands decide what comes next.

For textile companies, this presents a major opportunity. Few industries have richer stories to tell: the origins of fibers, the people and skills behind production, the evolution of materials, the cultural heritage of textiles. The question is whether brands can turn these stories into ones consumers can understand, believe in, and, ultimately, become part of.

Taken together, these changes point to a wider shift in how textile brands need to approach engaging with younger consumers. Four shifts are particularly important:

FROM PRODUCTS TO STORIES

For years, the product has traditionally been the center of the relationship with a brand. What matters is what it is, how it performs, how it looks and what it costs. Increasingly, however, the product is becoming the starting point for a broader set of questions. Younger consumers want to understand the story behind what they buy: where the materials came from, who made them, what skills and processes were involved, why the company made particular choices, and what it stands for.

A 2024 study examining Gen Z's emotional connection to brands found that respondents placed importance on the background of a brand story, with convincing narratives and authentic, believable content among the elements that attracted them most [1]

Stories can be immensely powerful tools for building more meaningful relationships with consumers. Stories give consumers something to understand, identify with, and potentially become part of. In an industry as rich in history, craft, and innovation as textiles, there is enormous potential. They provide an opportunity for brands to explain to customers what they stand for.

Continued on Page 4

Beyond sustainability: Rethinking How Textile Brands Engage Gen Z

Continued from Page 1 Col 2

The aim is not just to tell more stories, but to make existing stories within textiles more visible. Brands can share these stories throughout the consumer journey, using social content, marketing, in-person experiences, and product features like labels or QR codes. The format matters less than the principle: giving consumers access to the people, places, ideas, and decisions behind what they buy.

The stories available to textile brands are richer than the product itself. They begin with the people behind it: the farmers, spinners, weavers, dyers, technicians, designers and craftspeople whose knowledge and expertise bring a material to life. Making these people visible can transform an otherwise anonymous supply chain into something more human and tangible.

They are also stories of place. Textiles are often deeply connected to the regions in which they are produced – to local skills, traditions, climates, communities and manufacturing clusters. Where a material comes from can be as meaningful as what it is made from, particularly when that place carries a distinctive cultural or industrial heritage.

Then there is the story of innovation: the problem a company set out to solve, the reason a new fibre or process was developed, the experimentation that went into it and, importantly, what did not work along the way. For technical textile companies in particular, these stories can make otherwise invisible innovation understandable and relevant to consumers.

Heritage and craft offer another rich source of storytelling. A technique, pattern, or material may have evolved over generations, but its relevance need not lie in nostalgia. The more interesting story may be how that heritage is being adapted, reinterpreted or combined with new ideas for the future.

Stories can reveal something about the company itself: what it believes, the choices it makes, the trade-offs it is willing to confront

skills and communities are supported, why products are designed in a particular way, and what the company is trying to change.

In this sense, sustainability becomes the baseline on which a deeper relationship can be built. The product, story, innovation and experience build on this, giving customers a reason to engage with and ultimately advocate for the brand.

FROM CONSUMER TO PARTICIPANT

Younger consumers increasingly expect to have a role in shaping the brands they engage with. The traditional relationship between textile brands and consumers has been largely one-directional: brands develop, produce, and market products, while consumers choose whether to buy them. That model is becoming less relevant in a world in which digital platforms make participation easier and more visible.

For Gen Z in particular, engagement can extend well beyond the point of purchase. Consumers can contribute ideas, vote on designs, influence product development, share experiences, create content, join communities, and provide feedback that directly shapes what a brand does next. The most interesting opportunities for textile companies therefore lie not simply in creating products for younger consumers, but in creating opportunities to create with them.

A 2024 Forbes article by Launchmetrics' CMO specifically discusses how fashion brands build loyalty among Gen Z through community. It argues that Gen Z wants to connect, share and participate, and recommends that brands actively listen to their communities, respond to feedback and act on it, explicitly framing community participation as part of building Gen-Z loyalty.[4]

This does not mean handing over product development entirely to the consumer. It means opening parts of the process that have traditionally remained behind the curtain. A textile brand might invite its community to help select colours for a new collection, test new materials, propose applications for a recycled fibre, contribute to the

way for brands to make their values visible – and to give consumers something they can understand, believe in, and potentially see themselves as part of.

FROM BRAND VALUES TO SHARED VALUES

For a long time, brand loyalty was largely about familiarity. Consumers returned to brands they knew and trusted because those brands delivered reliable products and experiences. But for younger consumers, the relationship can be more personal. The question is not simply, "Do I like this product?" but also, "What does choosing this brand say about me?"

Values are often discussed in the context of sustainability or social causes, but they can be much broader. A brand might stand for craftsmanship, creativity, individuality, innovation, heritage, community or local production. What matters is that it has a recognizable point of view, and that the consumer can see something of their own identity reflected in it.

It does not mean that brands need to become political or turn every campaign into a remark on a social issue. It simply means having a point of view. For a textile company, this might be as simple—and as powerful—as believing that clothes should be made to last, that traditional textile skills deserve a place in the future, that innovation can make natural fibres perform better, or that good design should be accessible rather than disposable. They give a brand character and give consumers something they can identify with.

Research involving 346 Gen Z consumers has found that both the extent to which consumers incorporated brands into their self-concept and the extent to which they aligned with their values were important factors in determining brand loyalty. This suggests that brands can become more meaningful when consumers see something

For textile companies, this represents a shift from building a customer base to building a community. The brands that succeed will be those that give younger consumers a reason not only to buy, but to contribute, influence and feel a sense of ownership in what comes next.

Brands are already making this transition. Nike By You lets consumers customize footwear by choosing colors, materials, and design elements, engaging them in the creative process. RE.UNIQLO STUDIO extends this after purchase, offering repair, upcycling, and embroidery services so consumers can personalize and extend their clothing's life. Together, these examples show how brands can move from simply selling products to creating opportunities for consumers to personalize and extend the story of what they buy.

CONCLUSION

For textile brands, engaging Gen Z is becoming less about selling a better product and more about creating a relationship that gives consumers a reason to care. Sustainability remains an important foundation, but it is increasingly the baseline for trust rather than a differentiator in itself. What creates deeper engagement is the story behind the product, the values a brand represents, and the opportunities it gives consumers to participate in what comes next.

This shift creates a particular opportunity for the textile industry. Its products are connected to people, places, craftsmanship, heritage and innovation—stories that can make an otherwise complex and often invisible industry more tangible and meaningful to younger consumers. By making these stories visible, demonstrating values through action, and inviting consumers into the creative process, textile companies can move beyond transactional relationships and build genuine communities around their brands.

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Beyond sustainability: Rethinking How Textile Brands *Engage Gen Z*

Beyond sustainability: Rethinking How Textile Brands Engage Gen Z

of themselves echoed in what the brand represents[2]

In this sense, the product becomes a form of self-expression. Consumers are not only buying what a brand makes; they are, to some extent, buying what it represents. The brand becomes part of their own story.

This can also strengthen a brand's competitive position by creating differentiation. A company that defines itself around bringing traditional textile craftsmanship into contemporary design, for example, is no longer selling only a technical product. It offers a perspective on what textiles should be, giving customers a reason to choose it beyond the product specifications.

This is especially important in a market where product differentiation has become harder to communicate. Instead of asking only, "What makes our product better?", brands can ask a more fundamental question: What do we stand for—and why should that matter to the people we want to reach? The answer may mark the start of a much more meaningful kind of brand loyalty.

FROM "SUSTAINABILITY PREMIUM"
TO "SUSTAINABILITY AS THE BASELINE"

As sustainability becomes more embedded in consumer expectations, its role is changing. Gen Z cares about sustainability, but research suggests that willingness to pay substantially more for sustainable products is mixed [3]. Sustainability is steadily becoming a foundation for trust rather than an additional premium.

Consumers want to feel that the companies they support understand the issues they care about. A brand that can demonstrate responsible sourcing, transparent production and a true commitment to lowering its impact is not necessarily offering something "extra"; it is demonstrating that it is worthy of being trusted.

The key is to stop looking at sustainability at the product level and instead connect it to the wider company story. Sustainability can provide a reason to believe in a brand, and the opportunity is to connect environmental accountability with the larger story of the company: how materials are sourced, how people are treated, what

Ultimately, the question for textile brands is no longer simply how to convince Gen Z to buy. It is how to give them something they can believe in, identify with and contribute to. The brands that succeed will be those that treat younger consumers not just as customers, but as participants in the ongoing story of the brand.

(The opinion, views and perspectives expressed in the above Article are those of author and not of Tecoya Trend.)

[1] https://doi.org/10.61173/4qsan235

[2] https://www.sciencedirect.com/org/science/article/abs/pii/S1747361619000258

[3] https://www.sciencedirect.com/science/article/pii/S000169182500040X

[4] https://www.forbes.com/councils/forbescommunicationscouncil/2024/10/01/the-power-of-community-how-fashion-brands-are-building-loyalty-among-gen-z

Tecoya Trend – 21.08.2026

CMAI and Partners Drive Nationwide Garment Collection Initiative to Advance Textile Circularity

MUMBAI, AUG. 20--

Marking India's 80th Independence Day, Clothing Manufacturers Association of India (CMAI) in collaboration with ReFiber, powered by OterRi, Tisser Artisan Trust, UNIDO and Lions International successfully launched a nationwide 'Freedom from Unused Garments' collection drive to raise awareness and encourage action on post-consumer textile waste.

Highlighting the scale and urgency of the issue during an online stakeholder meeting, Ms. Vrunda Desai, Textile Commissioner, Ministry of Textiles said, "We generate around 70 lakh tonnes of textile waste annually, with nearly 58% arising after consumer use. Every discarded garment represents valuable resources such as fibre, water, energy, chemicals, transportation and human effort. Freedom from wasteful consumption, resource inefficiency and unsustainable habits is the need of the hour. I really appreciate this initiative, which provides citizens a simple digital platform to schedule doorstep collection of unused garments."

Mr. Santosh Katariya, President, CMAI, said, "Today, we are looking at freedom from waste and freedom from unnecessary landfills. Instead of garments ending up in landfills, we can recover their value through collection, recycling and upcycling. Through this campaign, we are not only protecting the environment but also creating opportunities for social empowerment. By calling upon citizens to donate garments that are no longer in use, we are giving them an opportunity to contribute to a more circular and responsible textile ecosystem."

Mr. Naveen Sainani, Hon. General Secretary, CMAI & Chairman – ESG, said, "Today is not merely the launch of a waste collection drive. It is the beginning of a moment to change the way we look at textile waste. The collected garments will be channelled towards recycling, upcycling and other productive applications, helping reduce textile waste and minimise the burden on landfills. Collection is only the first step. The real success will come when consumers understand that a garment lying unused in their cupboard can have another purpose."

The 'Freedom from Unused Garments' drive underscores the need for collective action among consumers, industry, civil society and government to accelerate the transition towards a more circular textile economy.

It further strengthens CMAI's ongoing commitment to advancing sustainability and textile circularity through collaborative initiatives with industry and social-sector partners.

Tecoya Trend – 21.08.2026

H&M HOME & Kelly Wearstler Reveal Full Global Collaboration, Featuring Ready-to-Wear capsule alongside interiors

MUMBAI, AUG. 20—

Alongside the H&M HOME collection, the collaboration is further extended with an 8-piece ready-to-wear fashion capsule, bridging interiors and fashion in a cohesive, design-led vision. H&M is also unveiling the full 29-piece interior collection. Exploring design as a daily ritual and rooted in the philosophy of democratic design, the collection brings Kelly's bold aesthetic – a celebration of beauty, form and function - to a wider audience for the first time, featuring everything from modular furniture, sculptural décor + fashion.

"Kelly is a very powerful female designer. She's always had a strong design aesthetic, and she possesses a unique, bold, and confident design language — I tend to say she's not whispering. We want to showcase that aesthetic to our customers, to bring that vision to new audiences, and every design is unique to us - these pieces have not been seen before," says Evelina Kravaev-Söderberg, H&M HOME Head of Design & Creative.

"The opportunity to challenge both my own skills and those of my studio, while creating something artisanal yet accessible, was incredibly exciting. We began by questioning how objects can shape a space—creating sculptural pieces that feel expressive, tactile, and designed to endure," says Kelly Wearstler.

KELLY WEARSTLER H&M – THE READY-TO-WEAR CAPSULE COLLECTION

Eight ready-to-wear pieces round out the collection, building six silhouettes that move between relaxed and refined - unmistakably Kelly. Strong shoulders and long-line cuts play against low-slung trousers and denim pooling at the ankle — effortless yet considered. A coated cotton trench with a layered leather collar, with matching lapel detailing and collarless cropped leather jacket with zip sleeves make for decisive outerwear, while a sequin skirt and vase-printed slip dress land the collection's most glamorous note. The capsule also features a contemporary take on a white shirt - here in boxy, boyfriend design with shoulder pads. There's also a cropped white cotton t-shirt with an embroidered vase, for an everyday look. Structured yet relaxed, precise yet effortless, these garments echo the same interplay of form and freedom found throughout the collection. Across categories, a cohesive world unfolds — one where design is not static, but something to be lived with, returned to, and reinterpreted over time.

At the heart of the collection is an exploration of rituals and modular synergy — furniture reinterpreted as an adaptable architectural system, sculptural yet highly functional and rituals as instinct and natural gravitation.

This collection marks a bold evolution for the brand, introducing furniture within a designer collaboration for the first time, complemented by design objects. Venturing into furniture brought new challenges, where H&M HOME and Kelly Wearstler navigated shipping dimensions and practical constraints to create forms intended for reconfiguration and adaptability. The collection ushers in a new design era, resonating with interior fans around the world while staying true to the H&M HOME ethos of democratising interior design for the many.

"We aimed to create a complete collection that could furnish an entire room. It's about offering inspiring and important pieces that can also become part of our everyday moments," says Kelly Wearstler. The full Kelly Wearstler H&M HOME collection will be available from September 3, 2026, in select stores and online at hm.com.