

## **Decline in Cotton textile exports - a matter of concern- TEXPROCIL**

The overall exports of textiles & clothing touched US\$ 41.4 Bn in 2014-15 as against an export target of US\$ 45 bn. Exports of Cotton textiles (excluding raw cotton) during 2014-15 was US\$ 9452.96 Million as against exports of US\$ 9669.05 in 2013-14, registering a negative growth of 2.23%. Exports of cotton textiles (including raw cotton) touched US\$ 11353.15 as against exports of US\$ 13306 in 2013-14 registering a steep decline by 14.68%.

“These declining trends in exports are a matter of deep concern” said Shri R.K.Dalmia, Chairman of The Cotton Textiles Export Promotion Council (TEXPROCIL).

Exports in the current fiscal year can do much better, if adequate & timely support is given by the Government and the export target of US\$ 13.67 bn fixed for 2015-16 envisaging a growth of almost over 15% can be achieved as India has got the required competitiveness in textiles, according to Shri Dalmia.

However Shri Dalmia called for urgent action on some areas like the inclusion of cotton textiles under the 3% Interest Rate Subvention Scheme, release of funds under the TUF Scheme, and recalibrating the product/country matrix under the newly introduced Merchandise Exports from India Scheme (MEIS) scheme which have a direct bearing in improving India’s competitiveness in the short to medium term.

Apart from these measures, much needs to be done towards achieving the objective of “ease of doing business” and “Simplification of procedures”, according to Shri Dalmia. He pointed out instances that inspite of repeated representations exporters are yet to receive 2% additional duty credit scrips under the MLFPS (Market Linked Focus Product Scheme) which was announced in February 2014. The Government has also curtailed the benefits under the Incremental Export Incentivization Scheme (2013-14) to a maximum Rs.20 lakhs which was not there in the original scheme. The withdrawal of Focus Market Scheme for Cotton yarns has caused steep decline in exports to non-conventional markets like Peru, Morocco etc. The delay in getting Duty Drawback amounts from JNPT Customs has further aggravated the situation for the exporters.

Despite the recognition of the textile sector’s role in the ‘Make in India’ concept as well as in jobs creation, there is a lack of adequate focus and proper planning in boosting exports, pointed out the Chairman, TEXPROCIL.

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However, Shri Dalmia hailed the recent visit of the Hon'ble Prime Minister to China as historic and hoped that pursuant to the joint statement issued by the leaders of the two countries , the process of reduction of duties under APTA ( Asia Pacific Trade Agreement) on exports of fabrics and other value added products to China will be expedited as there is immense potential to export these items to China. Shri Dalmia also urged the Government to conclude the FTAs with EU, Australia and Canada to remove trade barriers and gain market access to these leading countries