

## **Decline in Cotton textile exports – urgent Govt Support required - TEXPROCIL**

India's exports declined in August 2015 for the ninth straight month by 20.66% with overall exports reaching US\$ 21.26 Billion as compared to US\$ 26.80 Billion in August 2014, according to government data released on Tuesday.

Exports of Cotton textiles in August 2015 also registered a negative growth of 7.39% as exports touched US\$ 863.18 Million as against US\$ 932.02 Million in August 2014. "This continuing decline in exports of cotton textiles is a matter of deep disappointment and concern requiring urgent action from the Govt", said Shri R.K.Dalmia, Chairman of The Cotton Textiles Export Promotion Council (TEXPROCIL).

Shri Dalmia pointed out that even though Indian Cotton textiles products were competitive in the world markets, preferential access being given to some of our competing nations like, Bangladesh, Cambodia, Pakistan, South Korea, Turkey and Vietnam by major importing countries like the EU besides discriminatory import duties on Indian textiles in important markets like China and Canada are severely affecting exports.

To provide a level playing field, Shri Dalmia urged the Government to fast track the conclusion of FTAs with EU, Australia and Canada to remove trade barriers and gain market access to these leading countries. The Chairman, TEXPROCIL also urged the Govt to initiate dialogue with China and Turkey for reduction in the import duties imposed by these countries on Indian textiles.

Besides, the Govt should consider the Industry's demands such as to include 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. This will provide the necessary stimulus to the falling exports of cotton textiles in the next 200 days, according to the Chairman, TEXPROCIL.