

TEXPROCIL welcomes inclusion of exports of cotton fabrics to Bangladesh and Sri Lanka under MEIS

The Cotton Textiles Exports Promotion Council (TEXPROCIL) has welcomed the inclusion of exports of cotton fabrics -both woven and knitted - to Bangladesh and Sri Lanka under the Merchandise Exports from India Scheme (MEIS) vide Public Notice No. 27 dated July 14, 2015 issued by the Director General of Foreign Trade (DGFT).

This is a very positive step taken by the Government as it will increase exports to these two countries , said Shri R.K.Dalmia , Chairman of The Cotton Textiles Export Promotion Council (TEXPROCIL) . “India can play a big role by supplying fabrics to Bangladeshi and Sri Lankan Garment manufacturers as India is stronger in fabrics and Bangladesh & Sri Lanka are stronger in garment manufacturing” , according to shri Dalmia .

However, although certain categories of knitted fabrics have also been included under the scheme, HS Code 6006 which covers most of the knitted fabrics including knitted fabrics with lycra have been left out inadvertently. Further, knitted fabrics with lycra are value added products which are being widely used in garments. According to the chairman, TEXPROCIL, if any benefit is granted to fabrics the entire range of fabrics should be covered under the benefit to avoid unintended exclusions.

The MEIS has also not included exports of value added and labour intensive products like cotton dyed and printed fabrics and made-ups to different African Countries like Mauritania , Mali, Dar Es Salaam, Burkina Faso , Guinea Bissau, Niger, Benin, Angola, Senegal ,Togo, Ghana , Kenya and Tanzania which is a major blow to the exporters to the African region ,said Shri Dalmia . The products which are being exported includes khangas , khatangas etc which are used as traditional dresses in Africa and are predominantly manufactured by units located in the Small & Medium Enterprises (SME) sector , pointed out the Chairman, TEXPROCIL .

Shri Dalmia urged the Government to include exports of knitted fabrics covered under HS code 6006 to Bangladesh and Sri Lanka and exports of value added products like cotton dyed and printed fabrics and made-ups to African countries under the MEIS. These measures will give the much needed impetus to exports in an otherwise adverse conditions in major markets.