

LOK SABHA  
STARRED QUESTION NO.\*296  
TO BE ANSWERED ON 15.03.2018

EXPORT OF TEXTILES AND APPAREL

\*296. DR. PRITAM GOPINATH MUNDE:  
SHRI ANANDRAO ADSUL:

Will the Minister of TEXTILES वस्त्र मंत्री  
be pleased to state:

- (a) whether export of textiles and apparel has been falling every month despite the Government's efforts to give the segment a boost, if so, the details thereof and the reasons therefor;
- (b) whether the data compiled by the Confederation of Indian Textile Industry (CITI) showed a sharp decline in the export of textiles and apparel in 2017 as compared to the previous year and if so, the facts in this regard;
- (c) whether rupee appreciation and preferential treatment given to Least Developed Countries (LDCs) are responsible for falling export of textiles and apparel and if so, the facts in this regard;
- (d) whether there is a need to ease the refund of Integrated Goods and Services Tax (IGST) and on Return of State Levies (ROSL) and if so, the steps taken by the Government in this regard; and
- (e) whether the industry needs immediate relief in the form of a minimum two per cent on the Merchandise Export from India Scheme on cotton yarn and a ROSL package for fabric and cotton yarn to retain competitiveness in the global market, if so, the details thereof and the measures taken by the Government in this regard?

उत्तर

ANSWER

वस्त्र मंत्री (श्रीमती स्मृति जूबिन इरानी)  
MINISTER OF TEXTILES  
(SMT. SMRITI ZUBIN IRANI)

(a) to (e): A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO THE LOK SABHA STARRED QUESTION No.\*296 for 15.03.2018 REGARDING EXPORT OF TEXTILES AND APPAREL ASKED BY DR. PRITAM GOPINATH MUNDE: SHRI ANANDRAO ADSUL.**

**(a):** Exports of textiles and apparel tend to fluctuate in the course of a year due to seasonality in demand. However owing to Government efforts, textiles and apparel exports have increased from US\$ 28.8 bn during Apr'16-Jan'17 to US\$ 29.4 bn during Apr'17-Jan'18.

**(b):** Directorate General of Commercial Intelligence and Statistics (DGCIS) is the nodal agency for compiling data on exports and imports under the Ministry of Commerce & Industry. As per DGCIS data, exports of textile and apparel have increased from US\$ 35.5 bn in 2016 to US\$ 37.3 bn in 2017.

**(c):** Rupee has appreciated by 4.2% to 64.4 Rs/USD during Apr'17-Jan'18 from 67.2 Rs/USD during Apr'16-Jan'17 thereby devaluing exports. It is true that Indian exporters face higher tariff of 9.7% in key export markets such as EU as compared to zero duty given to competing nations like Bangladesh, Pakistan, Sri Lanka and Turkey.

**(d):** To ease the refund of Integrated Goods & Service Tax (IGST), Government has taken several steps. IGST refund claims are being closely monitored on daily basis by field formations and print advertisements and outreach programmes have been carried out for exporter awareness. Common errors and solutions thereof have been highlighted through a circular No.42/2017-Customs dated 7.11.2017. In order to ensure smooth operation, custom houses have opened a dedicated cell for purpose of facilitating refund cases.

**(e):** Government has enhanced the rates of Merchandise Exports from India Scheme (MEIS) from 2% to 4% for apparel and made-ups w.e.f. 1<sup>st</sup> November 2017 for exports of value added commodities viz. apparel and made-ups which have higher potential to boost employment. Currently, cotton yarn is not covered under MEIS and fabric segment is provided 2% benefit under MEIS. Intermediate products such as fibre, yarn and fabric in the textile value chain are being strengthened and made competitive through various schemes, inter alia Powertex for fabric segment, Amended Technology Upgradation Fund Scheme (ATUFS) for all segments except spinning and Scheme for Integrated Textile Parks (SITP) for all segments.

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