

## **Textile industry unhappy over duty free import of garments**

**New Delhi, Mar 18** Apparel industry is upset over the opening up the gate for duty-free import of 1.40 crore pieces of garments from Bangladesh and Sri Lanka.

Industry leaders say, the move is apparently aimed at correcting to some extent trade balance and can give the domestic industry access to cheaper raw material. However, the initiative in reality would hurt the domestic industry.

According to the secretary general of the Confederation of Indian textile Industry (CITI), DK Nair the domestic industry is at a disadvantage compared to the neighboring countries such as Bangladesh and Sri Lanka which are emerging as strong competitors to India in the international market.

Both Bangladesh and Sri Lanka have manufacturing base with ready raw material and are in a position to offer garments at lower cost.

Bangladesh has already made a downward revision of its products especially cotton and fiber between 7 to 15 % during the last two years. This has led to a substantial jump in exports to India which have gone up from \$ 51.7 million in 2006-07 to \$ 81.7 million in 2007-08 Similarly, Imports from Sri Lanka which were at \$ 9.53 million in 2006-07 have jumped to \$ 12.75 million in 2007-08 till December.

For India it has been a double whammy as reducing prices have been supplemented by a strong Economy that has seen rupee appreciation against dollar, said PD Patodia, chairman, CITI.

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