

Textile exports rise 11% in FY12

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Textile exports increased 11 per cent in the last financial year, despite turbulent times in major economies. While demand from the euro zone continued to be low, demand still poured in from the US and other non-traditional markets that saved the day for exporters.

In 2011-12, the total export of apparel is expected to be \$13 billion, compared to \$11.4 billion in 2010-11, a rise of 14 per cent, according to the Apparel Export Promotion Council (AEPC). Growth in the previous financial year was six per cent.

"Apparel exports have shown growth in terms of price due to the depreciation of the rupee, but the volume remained the same," said A Sakthivel, chairman of AEPC.

Overall textile exports (including apparel) in the last financial year are expected to be \$30 billion, compared to \$27 billion last year, indicating a growth of 11 per cent, according to the Confederation of Indian Textile Industry (Citi).

"The US and the euro zone still remain

the major export markets. Although economic uncertainties plague the euro zone, it still imports textiles from India," said D K Nair, secretary general of Citi.

"Exports orders for the current financial year are expected to pick up pace in the next two months but due to a cash crunch it may not be possible for exporters to execute these orders," Nair added.

Cotton yarn exports were also up in the later half of the year, which helped boost exports. "Despite the slowdown in major economies, which are major export destinations for India, textile exporters have done well due to good demand from brands, coupled with the rupee depreciation," said Mitesh Shah, vice-president, Mandhana Industries. The denim fabric sector has also done well in exports. There was slowdown in November and December, but it eventually picked up. Currently, denim manufacturers have their order books full for the next three to four months.

"There is a steady growth in orders. The euro zone is not importing heavily, but the central and south US are," said Utsav Pandvar, CFO of Aarvee Denim.