PREFACE

The Doctoral Thesis on Implications of WTO on Indian Cotton Textile Industry has given me an opportunity to closely study the developments in foreign trade in the global situation, and in the Indian context in relation to the textile sector in particular. The study examines developments in the textile industry, in relation to cotton and non-cotton segments for low value added and high value added product groups, in the backdrop of the trends and policies of the overall foreign trade of India in recent years from 1994. The Agreement on Textiles and Clothing (ATC) of the World Trade Organisation (WTO) was in operation from January 1995 to December 2004. It expired at the end of 2004. The implementation of ATC as part of WTO agreements resulted in phasing out of quantitative restrictions (QRs) on imports of textiles and clothing from developing countries to developed countries. The textiles sector has now been integrated with the provisions of General Agreement on Tariffs and Trade (GATT) of WTO. This sector does not have any differential treatment in global trade compared to other products from January 2005. There were optimistic projections of growth of textile exports from India to USA, European Union, Canada, and Japan, in particular in the quota free regime. Has Indian textile sector been able to cash on the advantages of the phasing out of QRs offered to developing countries? What has been India’s experience in the textile trade during the ATC period, and in the post-ATC period; more so with China as the major global player in this field, catering to a high percentage of imports of developed countries? What are the experiences of other Asian developing countries in exporting textiles to developed countries? These questions have been studied in the present research work, and directions for the future of textiles foreign trade in the Indian environment have been presented.

The study is based on secondary data available from specialised publications, and professional trade journals, apart from online sources through websites. Publications of Government of India Ministries of Textiles, and Commerce and Industry (Department of Commerce), Centre for Monitoring Indian Economy (CMIE), Mumbai, and Reserve Bank of India (RBI), Mumbai have provided invaluable literature including time series data. Economic Survey of Government of India, Ministry of Finance, and RBI publications have provided in-depth reference material. Contacts were established with a number of textile industry export promotion councils (EPCs), associations, and organisations to get
at literature available from them including journals and data of recent years. Special mention may be made of the Textiles Committee, and Office of the Textile Commissioner, Ministry of Textiles, The Cotton Textiles Export Promotion Council (TEXPROCIL), Apparel Export Promotion Council (AEPC), Confederation of Indian Textile Industry (CITI), and organisations under the Ministry of Micro, Small and Medium Enterprises (MSME). Visits to different categories of industrial units in the textiles value chain, and their associations enriched my understanding of the subject, and issues to be probed into. Viewpoints gathered during these discussions have been taken into account while presenting the coverage of various chapters of the thesis. I wish to convey my deep sense of gratitude to all these organisations, associations, EPCs, and industrial units which helped me a great deal in my research endeavours.

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Place : Acharya Nagarjuna University,
Nagarjuna Nagar, Guntur District (A.P.)

Date:                                  P. Tirumala Rao

                                      Research Scholar, ANU
                                      e.mail: tirumalarao_pagadala@yahoo.co.in