



EXPORT PROMOTION COUNCIL FOR HANDICRAFTS

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PRESS RELEASE

EPCH SEEKS INCENTIVES TO BOOST EXPORT GROWTH

New Delhi – 2nd July, 2018 - Handicrafts sector is an employment generating, foreign exchange earning, creative cottage sector of the Indian economy. The sector has always shown a growth of around 10% for the last 9 years, however, during the year 2017-18, the sector has registered a decline of -5.59% in rupee terms and -1.8% in US dollar terms. The exports in the year 2017 are at Rs. 23,029 crores [US dollars 3573 million] in 2017-18.

EPCH has received feedback from numerous exporters on various causes, which can be attributed for this decline. The blocking of working capital on account of introduction of GST; economic slowdown in the traditional markets of handicrafts like UK, Germany, Japan and UAE : the rise in the prices of raw material like metal [copper, brass, aluminum] and reduction in the duty drawback rates are the major ones highlighted by the exporters.

Shri O.P. Prahladka, Chairman – EPCH informed that Council has taken up the matter with Ministry of Textiles and Ministry of Commerce and urged them to initiate the process of streamlining speedy refund of GST; enhancing incentives like duty drawback; introduce Rebate on State Levies (RoSL) for Handicrafts sector; inclusion of merchant exporter in Interest Equalization Scheme; expanding the list of items in Duty Free Import Scheme; facilitating export proceed realization for exports to Iran; initiate setting of warehouses in markets of Latin America/CIS and increasing allocation of funds under MAI.

Shri Rakesh Kumar, Executive Director – EPCH said that it is important that the handicrafts exporters are incentivized and bottlenecks hampering the export growth are addressed by the Government so that the handicrafts sector which has always registered growth despite decline in other commodities can again bounce back and attain exports growth.

Export of handicrafts during the year 2017-18 was to the tune of Rs. 23,029.36 crores with an overall decline of -5.59% in rupee terms and -1.8% in US dollar terms in comparison to last year.

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