Press Release

Lindsey O. Graham Sanctioning Russia & Iran Act: CITI sees severe threat to India's textiles & apparel sector

Industry body urges Govt of India to engage US urgently to protect MSME exporters

New Delhi, Sept. 19, 2026: The Confederation of Indian Textile Industry (CITI) expresses grave concern over the potential impact on the country's textile and apparel exports through likely additional tariffs being imposed by the United States following the signing of the 'Lindsey O. Graham Sanctioning Russia and Iran Act of 2026' by the US President. The US is the single-largest market for India's textile and apparel exporters.

"Any additional tariffs under this Act will be very difficult to absorb for the MSME-dominated Indian textile and apparel sector already under stress due to several factors, including the continuing turmoil in West Asia. It will severely impact our ability to sell in the United States, our most significant market by a distance," CITI Chairman Shri Ashwin Chandran said.

"We eagerly look forward to the Government of India engaging more closely with the United States to ensure that Indian exporters are not disadvantaged and rendered completely uncompetitive in the world's No. 1 economy," Shri Chandran added.

Shri Chandran said a fair, balanced and equitable bilateral trade deal (BTA) between India and the US is the urgent need of the hour. India has been negotiating the BTA with the United States for some time.

The CITI Chairman said that although the Free Trade Agreements (FTAs) signed by India will open new markets for Indian exporters, these FTAs cannot substitute for the importance of the US market for the textile and apparel sector. "The FTAs offer a lot of potential, but the gains from those are not automatic for exporters and will take time to materialise," he pointed out.

Incidentally, the India-EU FTA is likely to be operational next year. The Comprehensive Economic and Trade Agreement (CETA) between India and the United Kingdom became effective on July 15, 2026.

In US dollar terms, India's overall textile and apparel exports climbed 6.39% in August 2026 over the same period last year, with textile exports rising 13.03% and apparel exports declining 2.74%

For April-August 2026, India's textile exports rose 6.94% in US dollar terms, but apparel exports fell 9.10%, leaving cumulative textile and apparel exports marginally lower by 0.24% year-on-year.

The India-US trade relationship has value-chain complementarity and potential for technology partnerships, supply-chain resilience, and mutual economic opportunity. A balanced and predictable trade framework can help unlock these complementarities, strengthen bilateral commercial engagement, and support the long-term competitiveness of the textile and apparel sectors in both countries.

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