

# Silk exporters in Varanasi lose business

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The business is not as usual as it was earlier for the Small and Medium Enterprises (SMEs) in Varanasi engaged in export of fabric. The devaluation of American currency has casted gloom for the silk and fabric exporters of Varanasi, who until last year were sending items worth Rs 200 crore to the European countries. 'The silk industry is the worst hit due to the appreciation of rupee and now, the exports have registered a fall of more than 75 per cent in just one year', informed Rajat of Synergy Fabrikraft, a Varanasi-based company.

'We were very happy as countries like Spain, Australia and United Arab Emirates were buying our products but with the appreciation of rupee the things have changed', said Rajat while talking to *Business Standard*. According to him the silk products from Pakistan, Bangladesh, and China are in demand these days and Indian items are losing their market. 'There is a simple reason behind this as the currency of other countries such as China and Bangladesh has not devaluated and importers are getting profit', said Ajai Prakash, assistant professor in the department of Business Administration, Lucknow University.

According to the owner of the Synergy Fabrikraft, the export orders for Varanasi Fabric was to the tune of Rs 200 crore which has now come down to Rs 50 crore.