



E-Serve No.: 97 of 2026 | Date: March 19, 2026

Sub: USTR Section 301 Investigations – Action Required from Members

Dear Madam / Sir,

We wish to bring to your notice an important development regarding U.S. trade policy that may impact the exports of Indian Cotton Textile sector.

The United States Trade Representative (USTR) has officially initiated Section 301 investigations in March 2026. These investigations are designed to determine whether certain foreign trade practices are unreasonable or discriminatory and burden U.S. commerce.

The same can also be viewed on the official link below.

<https://www.federalregister.gov/documents/2026/03/17/2026-05214/initiation-of-section-301-investigations-acts-policies-and-practices-of-certain-economies-relating>

<https://www.federalregister.gov/documents/2026/03/17/2026-05151/initiation-of-section-301-investigations-of-acts-policies-and-practices-of-various-economies-related>

Basically the USTR is specifically looking into two areas that may directly impact our Cotton Textile Industry: viz.

Structural Excess Capacity: The USTR is scrutinizing whether government support measures, such as India's PLI Scheme, create an "excess capacity" that leads to overproduction and suppresses global prices. ([click here](#))

Forced Labor Enforcement: There is ongoing scrutiny regarding the enforcement of forced labor bans. As you are aware, cotton and certain textiles from India remain on the TVPRA List. The USTR is investigating whether the presence of such goods in global supply chains creates unfair competition for U.S. manufacturers. ([click here](#))

It is important to note that a TVPRA (Trafficking Victims Protection Reauthorization Act) listing is risk-indicative and not determinative of actual violations. However, to protect our market access, members should provide a detailed fact-based response.

In view of the above, we request members to submit their individual responses and data to the USTR website (Online) using the link below.

<https://comments.ustr.gov/s/submit-new-comment?docketNumber=USTR-2026-0133>

Dockets to Address:

USTR-2026-0067 (For Excess Capacity/PLI concerns)

USTR-2026-0068 (For Forced Labor/TVPRA concerns)

Members are requested to share their responses with the Council at sybil@texprocil.org; ramitha@texprocil.org so that we can review it before submission.

Following is schedule for response submission

25th March(Wednesday) : Whether Company proposes to file reply.

3rd April (Friday) : Draft submission to be shared with Council.

15th April(Friday) Final reply after incorporating Council's Comments, if any

Regards,

Dr. Siddhartha Rajagopal
Executive Director

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