**Abstract**

Currency uctuations are a natural outcome of the exchange rate system that is the norm for most major economies. So it is very obvious that whenever there will be uctuation in currency it will bring some impact on various sector of India especially in garment and textile export sector. Duty Drawback has been one of the popular and principal methods of encouraging export. The study aims at analyzing the problems faced by exporters of Tiruppur textile and garment industry due to uctuations in foreign exchange rate and duty drawback