

PRESS RELEASE

PLI to be a game changer for Indian textiles sector: AEPC Chairman

- Led by MMF, Indian apparel exports likely to double in next three years
- Promoting apparel industry has a much wider socio-economic impact

DELHI NCR, 8 Sep 2021: Welcoming the Union Cabinet's approval of the Production Linked Incentive (PLI) scheme for manmade fibre (MMF) segment and technical textiles, **Apparel Export Promotion Council (AEPC) Chairman Dr A Sakthivel** said that it will be a game changer for the Indian textile industry and will transform India's growth story.

"I sincerely thank Hon'ble Prime Minister Shri Narendra Modi, Hon'ble Minister of Commerce & Industry and Textiles Shri Piyush Goyal and Hon'ble Minister of Finance Smt Nirmala Sitharaman for accepting our recommendation to initiate the PLI scheme for MMF. The investment-oriented scheme of Rs 10,683 crore for MMF and technical textiles will be a game changer for the sector," **Dr Sakthivel** said.

The **Chairman** said that the scheme will result in fresh investment of gigantic proportions, expand manufacturing capacities and enhance exports multifold. It will make India a key player in the global textile value chain with focus on high value MMF products. Besides, it will promote industrial development in backward regions of the country, he added.

"India has an abundant supply of MMF fibre and yarn but we do not have enough production of quality MMF fabric. The PLI scheme will strengthen the Indian manufacturing capacity of MMF fabric and will thus increase the share of MMF based garments year after year. It is currently 20 per cent of the total apparels produced in India. With increase in MMF segment, the Indian apparel exports will double in next three years.

"The efforts to promote the apparel industry has a much wider socio-economic impact as it is a labour intensive sector and 70 per cent of its workforce are women. The industry, which is predominantly in the MSME segment, gives huge employment opportunities to the society's most vulnerable sections of migrant labourers, rural and unskilled youths.

"PLI along with other decisive schemes like RoSCTL, RoDTEP, Mega Integrated Textile Region and Apparel (MITRA) Parks and National Technical Textiles Mission initiated by our visionary Prime Minister will prove to be a game changer for the Indian textiles sector.

"With these initiatives, the apparel industry will contribute significantly in achieving both the merchandise export target of \$400 billion for this financial year and the Hon'ble Prime Minister's vision of making India self-reliant – Aatmanirbhar Bharat," **Dr Sakthivel** said.

In a bid to encourage exports, the government had announced an outlay of Rs 1.97 lakh crore for 13 key sectors including MMF garment and technical textiles under PLI scheme in the Union Budget 2021-22. The scheme is aimed at promoting select lines in MMF segment and technical textiles to increase India's share in global apparel trade.

“The Cabinet decision will help enhance the scale and competitiveness of India’s apparel manufacturing with global quality and efficiency. It will attract large scale investment with cutting-edge technology and make India an integral part of the global supply chain. It will develop a new ecosystem of Aatmanirbhar Bharat,” **Dr Sakthivel** added.

India is the sixth largest exporter of textiles and apparels in the world. The share of textile and apparel exports in India’s overall exports was 11 per cent in the year 2019-20.

The government said that the incentives worth Rs 10,683 crore will be provided to industry over five years for manufacturing notified products of MMF apparel and MMF fabrics and 10 segments/ products of technical textiles in India.

It is expected that this scheme will result in fresh investment of above Rs 19,000 crore, additional production turnover of Rs 3 lakh crore in five Years and will create additional employment for 7.5 lakh persons and several lakhs more in supporting activities, the government added.

The PLI scheme is expected to enable the setting up of a widespread supplier base for the global champions established under the scheme. It will help bring scale and size and create and nurture global champions, as per the government.
