

Apparel Export Promotion Council

Textiles Minister Presents 23rd 'AEPC Excellence Honours' awards for RMG export performance for 2021-22 & 2022-23

- Next decade will be India's decade of Textiles, 40 billion target achievable: Chairman AEPC

New Delhi, 8th December 2023: Shri Piyush Goyal, the Union Minister for the Commerce & Industry, Consumer Affairs, Food & Public Distribution and Textiles, Government of India presented the AEPC prestigious exports awards to the RMG exporters, here today. The 'AEPC Excellence Honours' was conferred for the year 2021-22 and 2022-23. The awards recognize extraordinary contributions made by Indian Apparel exporters in building our modern export enterprises and helping to further develop a unique Indian export culture.

Addressing the gathering Shri Piyush Goyal, the Union Minister for the Textiles, said "40 by 30 will be a fitting tribute to the Prime Minister Shri Narendra Modi's vision to make India a developed nation by 2047. Let's expand textile exports to 100 billion through our collective efforts. If RMG exports can grow from 16 billion USD to 40 billion USD in this period it will truly be a game changer for the future of the textiles industry and in our effort to provide jobs to the large section of people and create a value-added proposition." He said that the government is taking every possible step to promote exports such as entering into free trade agreements and promoting brand India.

The minister also asked the apparel exporters to procure raw materials from Indian players and not depend on "opaque" foreign suppliers and suggested not to fall for "predatory practices". He said that for the long-term health of the whole textile ecosystem in the country, it is necessary to build domestic supply chain capacities by supporting each other.

The Union Minister said that every element of the industry is important and therefore, he called upon industry leaders not to fall for low-cost substandard goods to substitute domestic availability. He said that the true meaning of Aatma Nirbhar Bharat is not about closing India's doors to the world, but to open them wider through supporting domestic suppliers and developing a domestic ecosystem.

Applauding the industry, Shri Goyal said, "The encouragement we received from the industry led to 55% exports growth from 500 billion USD to 776 billion USD in both merchandise and services exports in the last two years between 2021-23."

The event began with the '40 by 30' theme Focus Group Discussion (FDG) with following topics: Making Indian Apparel more competitive; Strengthening Industry Academia Linkage, Exploring new frontiers with MMF, Compliance and Sustainability- How to make it India's edge? Major issues which emerged during the FGD were picked for the Power Group Discussion (PGD) with the following discussants - Shri Rohit Kansal, Additional Secretary, Ministry of Textiles,

Government of India, Shri Deepak Seth, Founder and Chairman, Pearl global industries Ltd., Shri Nitin Prasad, Managing Director, PVH Supply Indian sub-continent and GOC, Dr Ajay Sahai, Director General & CEO, FIEO and Shri Naren Goenka, Chairman, AEPC.

Speaking at power group during the event Shri Naren Goenka Chairman AEPC said, “the Indian apparel industry has been able to withstand the hard and testing times during the pandemic wherein despite the global demand being stagnant, Indian apparel exports grew at a rate of 30.35% in 2021-22 over 2020-21, and 1.10% in 2022-23 over 2021-22. While we commemorate this success today, we are also vigilant of the fact that India’s apparel exports have been constant to the tune of 3-4% of global export share during the past 3-4 years.”

Further Chairman AEPC said, “I am confident that the next decade will be India's decade in textiles exports and the target of 40 USD billion of RMG exports is achievable. There is big confidence from our international buyers towards India in wake of China exiting and neighboring countries instability. We have an abundance of raw material with the biggest raw material base after China. Because of this raw material availability, we can cater to a shorter lead time as we don’t need to import anything as our product has 98% of Indian inputs. This strength of raw material also ensures that we are least affected by price volatility and currency fluctuations or any recessionary or inflationary changes globally. We have the government support and encouragement in providing market access by doing FTAs with many countries like UAE, Australia, Japan, etc. The FTA with the UK will be a game changer for the industry, and the EU will offer a big advantage if we sign a FTA deal.”

One of the major issue regarding poor export competitiveness is of Indian Apparel are poor Economies of Scale, Apparel industry comprises 80% of exporters with around 10 cr. turnover. Average machines in Indian apparel manufacturing units are 250-400 whereas competing countries have an average of 800- 1000 machines. Also, there are hardly any vertically integrated units unlike in Vietnam and other competing countries. Both these factors limit the capacity for the industry to invest in productivity enhancement technologies.

Replying to queries of the industry on scale and infrastructure Shri Rohit Kansal, Additional Secretary, Ministry of Textiles said, “The global market is trillion dollar and so even when we reach 100 billion of textiles exports, we will be only 10% of total textiles trade. From that perspective the target 40 billion seems to be eminently achievable. Our PM MITRA initiative seeks to address the issues flagged by the industry such as scale, investment and infrastructure. The size of the PM MITRA Park is at least 1000 acres which are supposed to be vertically integrated. It addresses the issue of land acquisitions as land is all acquired. It addresses issues of clearances because all clearances have been provided, it also addresses the issue of state support as SPV is being headed by state as they run the park.” We are looking at 10 billion USD of investment in the park and half billion USD of support has already been given either by infrastructure support or development support to the set up business in the park, Shri Kansal added.

Gold trophy for the highest global exports 2021-22 & 2022-23 (above Rs. 500 cr. in each year) went to Shahi Exports Pvt. Ltd. Faridabad, Silver trophy to Richa Global Exports Pvt. Ltd.

Gurugram, Arvind Limited, Ahmedabad gets Bronze. (Entire list of awardees is uploaded on the website.)

Dr. A Sakthivel Chairman, President FIEO gets the award for mentor of the Indian Apparel Industry and Shri Deepak Seth Founder and Group Chairman Pearl Global Industries Limited awarded as Icon of the Indian Apparel Industry.

Chairman AEPC underlined that to reach this target, we will need to; focus on Innovation, expand our market and product basket, practice sustainability and responsible business practices, foster strategic partnerships and empower our people.