

Apparel Export Promotion Council

AEPC conducts its 44th Annual General Meeting

- *Enhancing FDI to increase economies of scale is very important for India's export competitiveness in the RMG sector: Naren Goenka, Chairman AEPC*
- *AEPC to launch 12 week "Certificate Program on Sustainability for MSMEs*
- *Pitches for the ROSCTL scheme for a minimum period of three years*

27th December 2023, New Delhi/ Gurugram: AEPC conducted today its 44th Annual General Meeting in hybrid mode, Mr. Naren Goenka, Chairman AEPC, Mr. Sudhir Sekhri, Vice Chairman, Dr A Sakthivel and Mr HKL Magu both Former Chairman AEPC other EC members along with Mr. Kuljeet Rawal, Legal Advisor, Mr. Anuj Dhingra, Auditor, Mr. Sachin Agarwal, Scrutinizer and Secretary, AEPC were present during the meeting.

Welcoming the attendees of the AGM Shri Mithileshwar Thakur, Secretary General AEPC said, "As this eventful and a challenging year for trade is about to end, I salute the resilience of all our RMG exports who withstood the global headwinds and have done great in their export performance". Challenges still continue and are getting severe and worse. The world is witnessing two wars and inflationary pressure all across the globe and realignment of its value chain. It is time for India to capture the void spaces and create new ones, we have advantages and inherent strengths to make this possible. Branding and diversification of our export's basket especially into MMF is key to success," he added.

Speaking at the AGM Shri Naren Goenka, Chairman AEPC said. "The Indian apparel industry has been able to withstand the 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. AEPC has been playing an instrumental role by extending an exclusive support to the Apparel industry of India for enhancing its Global reach. 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 past 3-4 years and hence AEPC has taken upon itself to take the existing exports of 16-17 USD bn. to 40 USD bn by 2030."

Highlighting the various steps Chairman AEPC enumerated;

- An in-house Market Intelligence Cell to keep the track of trends in import demands forecasted for 2030 and the efforts have been taken at various fronts to hand hold the industry on two fronts.
 - Focusing on strengthening our core strength in our traditional exports of cotton by promoting Kasturi cotton and traceability systems with the support from TEXPROCIL.
- Handholding the industry for a gradual shift to newer areas of technical textiles, MMF and new product categories including workwear, uniforms, etc. which are high on demand in the international market.
- Focusing on market and product diversification. Appreciating the fact that our exports have been primarily concentrated to EU & USA, AEPC has been taking various steps to help the industry to diversify its focus to new emerging markets of FTA countries including Australia and UAE and also Latin America and Africa by shifting the focus of our trade events to emerging markets under MAI, conducting webinars and capacity building programs, etc.
- Emphasizing on ESG compliance and awareness campaigns on industry concerns on sustainability and circularity.

We are thankful to the Ministry of Textiles for having taken the initiative of creating an ESG task force and AEPC is committed to contribute effectively towards this cause. We had launched Apparel Industry

Sustainability Action (AISA) witnessing huge participation from the garment fraternity across all the clusters, Chairman AEPC said.

Further highlighting AEPC drive towards making the industry sustainable, Chairman AEPC said, "We are happy to announce that AEPC is soon launching its 12 week "Certificate Program on Sustainability in association with OnlyForGood". The program will be instrumental in handholding the MSME units to appreciate and inculcate sustainability measures on growing concerns of our buyers on zero liquid discharge, renewable energy, water management, wastewater management, etc."

Shri Goenka further remarked, "Enhancing FDI to increase economies of scale is very important for India's export competitiveness in the RMG sector: Currently, the apparel industry receives a very low level of FDI investment though 100% FDI is allowed in the textile sector under the automatic route. Bringing investment in the garment sector to realize its full potential is our focus." To reach the target, we will need to; focus on Innovation to cut cost and faster clearances, expand our market and product basket, bridge the product mismatch, adopt cluster-based model, bring investment in the garment sector, enhance branding efforts, harness potential of e-commerce and FTAs, practice sustainability and responsible business practices, foster strategic partnerships, etc. he added.

Highlighting the demand Chairman AEPC said, "I have requested the Textiles Ministry to extend the ROSCTL scheme for a minimum period of three years. This scheme has helped the Apparel Industry immensely to plan the business on a consistent basis while staying competitive. Now that the market sentiments have touched an all-time low and the traditional markets of USA & EU are facing unprecedented recessionary trends, the extension of this scheme beyond 31st March, 2024 has become a dire necessity. He said that PM MITRA and PLI Scheme will help the textiles sector immensely.

Chairman AEPC thanked the Prime Minister, Finance Minister and Textiles Minister and all the officials of these Ministries for their progressive support and forward-looking encouragement to the textiles sector.