

PRESS RELEASE

Consider perishable apparel exports as essential services: AEPC

- **AEPC Chairman Dr A Sakthivel writes to Hon'ble Prime Minister**
- **Says most apparel exports are time-sensitive with zero salvage value**
- **AEPC hosts online meeting with buying houses and associations**
- **Global buyers extremely compassionate towards India, unlike in 2020**

DELHI NCR, 26 May 2021: Apparel Export Promotion Council (AEPC) has made a fervent plea to **Hon'ble Prime Minister Shri Narendra Modi** to declare apparel exports as essential services and exempt these exporting units from lockdowns across India.

"We request that the Central government should issue necessary instructions to all the state governments to declare apparel exports as essential services and exempt them from shutdown," **AEPC Chairman Dr A Sakthivel** wrote in a letter to the **Hon'ble PM**.

"Most of the apparel exports are season and fashion sensitive, and their salvage value becomes zero if the production and shipment are not done in time. Considering the perishable nature of the product, apparel exports should be seen as essential services. Besides, many neighbouring and competing countries have already accorded apparel exports the status of essential services," the **Chairman** said.

Apparel exporters showed great resilience in getting back on track after being badly hit in 2020 with huge export order cancellations, bankruptcies and labourers going back to native places. Export orders from the US and Europe have revived but now the Indian apparel exporters face the danger of losing these to competing countries as the second wave of Covid-19 crisis has resulted in lockdowns in several states.

"Due to the lockdown, if the units are unable to execute these orders, this will result, not only in the short term loss of orders and export earnings, but also a long term loss of the buyers. Our competing countries like Bangladesh, Vietnam, Cambodia and Pakistan are making all efforts to take orders from these regions and if we lose our buyers at this point, they will not come back in the near future," **Dr Sakthivel** said.

Earlier in the day, the **Council** held a video conference meeting with buying houses and associations to discuss the second wave of pandemic. The **AEPC Chairman** requested the buying houses and agents to explain to the international clients that the situation in India is getting better by the day. He said that they should convince their clients not to cancel their orders as he believes India will bounce back by mid-June.

"We request you to please explain to the buyers that things in India are moving in the positive direction. While daily caseload has come down from 3.5 lakh to about 2 lakh in the country, there have been only few cases in the apparel sector. Last week, Tamil Nadu Chief Minister launched vaccination of all garment workers," he said, adding that **AEPC** is working with other state governments to vaccinate all the apparel workers.

Representatives of buying houses and associations said that they are trying to convince the buyers that it is a temporary setback and things will soon get better. The buyers are also

“extremely compassionate” towards helping India but, unfortunately, as a lot of the businesses are seasonally time-sensitive, the current lockdown will impact most of the time sensitive orders. Though buyers are not looking at mass cancellations, like it happened in 2020, certain products will not be able to ship.

Dr Sakthivel said that the apparel industry, with 13 million direct workers, is the largest employer in India’s manufacturing sector and also engages many more workers indirectly in the large value chain of apparel and textile in the country.

The **Chairman** requested the **Hon’ble Prime Minister** to urgently intervene and save lives, livelihoods and prevent major financial losses for apparel exporters, especially in the MSME segment. The letter has also been shared with **Hon’ble Minister of Home Shri Amit Shah, Hon’ble Commerce Minister Shri Piyush Goyal and Hon’ble Textiles Minister Smt Smriti Zubin Irani.**

He assured the government that all apparel units are and will continue following the strictest Covid-19 health protocols, ensuring workers’ health, safety and all necessary support.