



BRINGS THE INDIAN TEXTILE INDUSTRY TOGETHER



Shri Piyush Goyal, Union Minister of Textiles addressing 10th ATEXCON held on August 17, 2022, in New Delhi

Confederation of Indian Textile Industry (CITI) organized the 10th Asian Textile Conference (ATEXCON) on Wednesday, August 17, 2022, in Hotel Shangri-La Eros, New Delhi. The one-day event focused on the prospects and challenges of the Textile Industry in the next decade. Union minister commerce and industry, consumer affairs, food, and public distribution, and Textiles Shri Piyush Goyal inaugurated the 10th ATEXCON and delivered a Keynote address at the conference. Smt. Darshana Vikram Jardosh, Minister of State for Textiles & Railways was the Guest of Honour for the event.

Shri Piyush Goyal, in his keynote address, called upon the Textile industry to focus on innovation and sustainability to drive growth. According to him,

India's textile industry can achieve \$1 trillion in 5-6 years if it focuses on the 5-point mission – Innovation, Sustainability, Digitization, Newer Products, and Utilization of Free Trade Agreements (FTAs).

The Minister stated that it was nice to see that CITI has taken this initiative and brought all the industry captains, policymakers, and subject experts under one roof to discuss, digitization, automation, and innovation to enhance productivity and expansion of the textile sector. The industry can optimize its resources for demand by innovating its system. Goyal also appreciated the futuristic approach of the conference. He said that the textile industry is working along the lines of the vision of Prime Minister Narendra Modi.



Smt. Darshana Vikram Jardosh, Minister of State for Textiles & Railways addressing 10th ATEXCON held on August 17, 2022, in New Delhi

The theme session on “Reimagining the Textile and Apparel Industry for the Next Decade” was addressed by Smt. Darshana Vikram Jardosh, Minister of State for Textiles & Railways.

Jardosh urged the Indian textile industry to prepare itself to face the challenges of structural shift in the global textile market. She appreciated the Indian industry for playing a proactive role in the global market. She said that the recent ban by the US on cotton originating from Xinjiang region in China can cause cotton prices to go up in the international market and the Indian industry needs to prepare itself to face the problem. Indian currency has recorded depreciation against the US dollar which may provide temporary relief, but other Asian currencies have recorded more depreciation against the dollar, which may cause the competition to intensify in the international market. Indian textile exporters will have to develop capacity to face the stiff competition.

She appealed to the industry that it should focus on research and innovation to achieve the goal as per the vision of Prime Minister Narendra Modi. She emphasised training workers who work in the country's cottage industry of the textile sector.

Shri Upendra Prasad Singh, Secretary Textiles (IAS), presented a “Roadmap for the Next Decade”. He also chaired the first session on 'Rebuilding India's Textile & Apparel Industry. In his address, Secretary, Ministry of Textiles, Shri Upendra Prasad Singh, said that every industry and sector in India must play a role in achieving the target of becoming a developed nation in the next 25 years as per the vision of the Prime Minister. He said that the Indian textile industry has the strength to expand in the global market as it has a complete value chain. The government is working proactively to address the current problems of the industry, he added.



Shri Upendra Prasad Singh Secretary Textiles (IAS) addressing 10th ATEXCON held on August 17, 2022, in New Delhi



Shri T. Rajkumar, Chairman, CITI signing MoU with Egyptian Cotton & addressing at 10th ATEXCON held on August 17, 2022, in New Delhi

Singh added that the industry is demanding raw material security which is an important area to be addressed. The government is working to increase cotton production and quality. But man-made fibre is quite important to ensure raw material supplies. He asked industry representatives to focus on the sustainability of the value chain. Many products can be produced by blending recycled fibre which is more cost-effective and sustainable. He urged the industry to increase efficiency to face global challenges. Bangladesh and Vietnam have succeeded in increasing their share in the US market and the Indian industry will also have to develop the strength to expand its market share.

In the inaugural session, CITI chairman T Rajkumar said that the textile and apparel sectors are a significant contributor to the economic growth of South Asian and Southeast Asian countries, generating employment and fetching export revenue. To further scale up textile and apparel production, manufacturers in these countries, especially India, Vietnam, and Bangladesh, need to invest in innovation and research and development (R&D). He also said that in view of the impending FTAs, it is time for the industry to work together with the government to finalise the product baskets that India can export to get better trade terms, and thus benefit the entire textile value chain.

In his welcome address earlier, Rajkumar said that the global textile industry is witnessing a reshuffle of the entire supply chain including the countries from which apparel is sourced. Terms like 'China Plus One', reshoring, onshoring, etc are being commonly heard in interactions across the textile value chain. He said that the value of global textile and apparel exports stood at \$828 billion in 2021, registering a growth of 8 per cent over \$770 billion in the previous year.

Session on 'Rebuilding India's Textile & Apparel Industry'

Chairing the session Textiles Secretary Shri Upendra Prasad Singh said that the government is trying to act on problems of the industry. However, it is difficult to have a balance between various stakeholders in a fragmented value chain. He said that size and scale are major issues for the industry to compete in the current market scenario. He urged the industry to focus on value and quality so India can benefit in a shifting scenario.

Arvind Singhal, chairman of Technopark Advisors, who moderated the session, said that the industry has to think about technological solutions of current problems and challenges. The industry needs to focus on sustainability, integration, and more value addition. Currently, the industry should not focus on volume but on value.

Gautam Nair, Chairman of Export Promotion Committee of Apparel Export Promotion Council (AEPCC), said that there are many disruptions in the industry. COVID-19 has disrupted the industry most. Brands and other buyers were seriously thinking on 'China plus one', but they could not find assured sourcing destinations, so they had to go back to China. According to Nair, India has a long way to cover in the journey of increasing its market share. "We need to integrate the supply chain. Bangladesh has successfully presented itself as assured supplier before the buyers. But Indian industry needs to do a lot of things."

Sunil Patwari, Vice Chairman of The Cotton Textiles Export Promotion Council (TEXPROCIL), said in the session that there are huge opportunities for the Indian industry. "If we are able to attract 10-15 big brands, we can expect substantial market share. But we need to

focus on strengthening our system, product innovation and value addition. In line with sustainability, we must have large number of certified factories which can attract buyers,” he said adding that environment friendly ecosystem has currently become very important in the entire world, so sustainability and circularity are must.

Next to speak was *Bhadresh Dodhia, Vice Chairman of the Synthetic & Rayon Textile Export Promotion Council (SRTEPC)*, who said that the industry needs to focus on man-made fibre, which has tremendous opportunity. According to him, man-made fibre is more sustainable and environmentally friendly. “The government is very proactive for the same and it is incentivising the industry for man-made fibre production. We need to ensure availability of man-made fibre as per the future demand in the next three to five years.”

Representing the Federation of Buying Agents (FBA), Lokesh Parashar suggested that the industry should work on scale and research on products and innovation. He said, “We are not able to supply product of 100 container volume in whole month, but the Chinese industry offers 3,000 container supply in one month. Secondly, Indian industry looks for orders from buyers, but buyers expect long term supply deals on large scale basis.”

Session on 'Changing Trends in Asian Textile and Apparel Trade'

Shri Vijoy Kumar Singh, Special Secretary of the Ministry of Textiles, chaired the second session on 'Changing Trends in Asian Textile and Apparel Trade'.



Shri Vijoy Kumar Singh, Special Secretary, Ministry of Textiles, addressing 10th ATEXCON held on August 17, 2022, in New Delhi

Dr. Christian Director General Schindler International Textile Manufacturers' Federation (ITMF) moderated the session, which had experts from Taiwan, Sri Lanka, and TUV Rheinland as panelists.

The Indian textile industry should think out of box to get benefits of opportunity in the changing world, *Shri Vijoy Kumar Singh, Special Secretary of Ministry of Textiles*, said at this session. He urged the industry to come out of its comfort zone and think about the usage of recycling fibre.

Singh said Indian industry should collaborate and integrate its system to tap the opportunity provided by 'China plus one' sourcing destination. He said that since textiles is a labour-intensive industry, it should set up factories where workers are available. The industry finds it difficult to train migrant workers in Delhi-NCR and other traditional manufacturing hubs, where labour come from other states. The Indian government has amended labour laws suitably to set up factories for large numbers of workers. He said that India has an enterprising class, and added that the country already has quality logistics infrastructure in most of the regions, and now it is on the industry to come forward to get benefits of changing trends.

Moderating the session, *Dr. Christian Schindler, Director General of International Textile Manufacturers' Federation (ITMF)*, said that sustainability has become more important in the recent past. “The textile industry is hit by more and more regulation, specifically in Europe. Therefore, the industry needs to rationalise process and system, which can help reduce footprint on environment.” He threw a number of critical questions before the panellists of the session for discussion.

Rakesh Vazirani, head - Sustainability Services, Business Unit Products of TUV Rheinland, discussed on a strategy for sustainable textile. He presented a detailed plan for a plant on how to ensure sustainability of the process. He also underlined the need of digitisation in the industry. He said that market data is very important in today's world for penetration in any market.

Justin Huan, President of Taiwan Textile Federation, and Aroon Hirdaramani, Chairman of Sri Lanka Apparel Exporters Association and Executive Director of Hirdaramani Group, also virtually participated in the discussion.

Session on 'Digitization, Automation & Innovation in Textiles and Apparel Industry'

The third session on 'Digitization, Automation & Innovation in Textiles and Apparel Industry' was chaired by Smt. Prajakta Verma, Joint Secretary, Ministry of Textiles

The Indian government will provide support and help to the textile industry in the time of changes and disruptions, *Prajakta Verma, Joint Secretary of Union Ministry of Textiles*, said at this session. She added that the Indian textile industry has to innovate, automate and digitise its process and production to face challenges and successfully compete in the global market. Verma assured that the government will facilitate industry to face global challenges. She advised the industry to focus on man-made fibre instead of cotton. She also stressed on sustainability, designing and innovation.

Shri Navdeep Sodhi, Partner of Gherzi Textile Consultants, moderated the session. He said that change in sourcing trend is very common, but the changes due to geo-political reasons are quite important. He said the US based e-commerce giant Amazon has drastically changed the supply chain to suite for its digital platform. According to Sodhi, textile industry can benefit from digitising its demand and supply side processes.

Shri Ashwin Chandran, Vice Chairman of the Confederation of Indian Textile Industry (CITI) and Managing Director of Precot Limited, highlighted on cost, servicing and brand promotion. He said that the industry can apply technology to optimise resources, and improve the supply chain, quality of products and timely delivery to the buyers. Chandran said that

“Bangladesh succeeded in developing its brand globally. Therefore, every sourcing professional from global brands acknowledges Bangladesh. It's time for India to develop a brand of Indian textiles.”

Prabir Jana, the Shahi Chair professor of Industry 4.0 at National Institute of Fashion Technology (NIFT), focused on training of workforce for the industry in future. He said that it was quite difficult to digitalise the production line. He also emphasised on production of small parts and equipment locally, which are currently imported from China.

Joachim Hensch, CEO & Mentor of Joachim Hensch Consulting, Germany, addressed the session virtually. He explained about smart factory in Vietnam and its replication in India.

TVK Chaitanya, head, PMT Agri department of Multi Commodity Exchange (MCX), suggested that the industry should adopt hedging of cotton in futures to mitigate risks of volatility.

Session on 'India's Trade Agreements with Major Economies'

Prashant Agarwal, Joint Managing Director of Wazir Advisors, moderated this session. He said that India is a very vast market. If it signs an FTA with any country, it has to allow concessional imports which will increase competition for domestic industry. FTA can open new markets for domestic industry only when it is ready to face domestic competition in the destination country.

Updeep Singh Chatrath, President & CEO of Sutlej Textile and Industries Ltd, said that FTAs can be an enabler, but the industry will have to work hard to fulfil



Smt. Prajakta Verma, Joint Secretary, Ministry of Textiles addressing at 10th ATEXCON held on August 17, 2022, in New Delhi



needs of buyers. He said that his company had set up factory in NAFTA region (Mexico), but it could not satisfy buyers' requirements. He also highlighted serving the need of customers who are unserved.

Dr. Siddhartha Rajagopal, Executive Director of The Cotton Textile Export Promotion Council (TEXPROCIL), said that FTAs provide tariff benefits and other relaxations, but the industry can benefit only if it is prepared for the same.

Session on 'Scaling up Cleaner Production with Sustainable Textile Solutions'

Ajay Sardana, President & Head - Strategy & Business Development, Reliance Industries Limited (RIL) moderated this session. He said that it was good to discuss fibre to fashion and sustainability in a single session.

Farhad Vania, Senior Portfolio Advisor at GIZ India, said that there was the need to have ownership of

sustainability. “No buyers will pay the higher price until there is certain certification and provision.”

Mridula Ramesh, Executive Director of Sundaram Climate Institute, also highlighted the effectiveness of sustainability. She emphasised earth-friendly processes and production in the industry.

Khaled Schuman, Executive Director of Cotton Egypt Association, said that Egyptian cotton is highly sustainable. His government has developed a system to ensure real Egyptian cotton in the global market after certain problems came up in Britain few years back. “Today, a logo of Egyptian cotton can assure a buyer about the origin of cotton,” he said.

Prasanta Deka, Head- Market & Product of BG RMS Rieter India Pvt. Ltd, and *Tatheer Zaidi, General Manager of Pollution Management in MSME at Solidaridad Network Asia* also discussed various aspects of the topic.

CITI and Egyptian Cotton also signed a Memorandum of Understanding (MOU) in the presence of the Minister, Shri Piyush Goyal. Both the industry bodies will work together for mutual benefits.

The Conference also received good support from the textile industry as LMW being the Platinum Sponsor, RIETER - Gold Sponsor, INDIA ITME Society - Silver Sponsor, MCX Awareness Partner, etc.

Southern India Mills Association (SIMA), Denim Manufacturers Association (DMA), Tiruppur Exporters Association (TEA), The Cotton Textiles Export Promotion Council (TEXPROCIL), UAE-INDIA Business Council, Ahmedabad Textile Industry Research Association (ATIRA) and Northern India Textile Research Association (NITRA) were the supporting partners.

