

Uttar Pradesh to push apparel sector to meet export target



A slew of measures have been proposed to increase UP's presence in apparel export. (Representative image)

LUCKNOW: To increase UP's [exports](#) to Rs 3 lakh crore within the next five years, the state government has identified apparels as a crucial sector which has a massive potential for growth.

In a study carried out by PricewaterhouseCoopers at the behest of Invest UP, it was found that due to differences in tariff regulations among various countries, India in general and UP in particular, is losing out to countries like Bangladesh, Turkey, and Cambodia. A slew of measures have been proposed to increase UP's presence in apparel export. These include attempts to renegotiate trade deals with USA, UK, European Union, Canada and Australia.

"When several foreign companies were shifting base out of China during Covid pandemic in 2020, Chief Minister Yogi Adityanath saw a growth opportunity and proposed improvement in UP's exports," he said.

"We appointed PWC to study UP's export pattern in 15 sectors, covering 100 products. A report giving suggestions on way ahead is now ready to help UP's exports to leapfrog from the current Rs 1.21 lakh crore to Rs 3 lakh crore by 2025-26," he said.

In the apparel sector, for which Gautam Budh Nagar and Kanpur are hubs, PWC has said that there is at least a 10% difference in tariff rates between India and countries like Bangladesh, Turkey, Cambodia etc which make it unfavourable for India to compete with these countries.

Due to unfavourable tariff structures, UP loses out to Turkey, UK and Italy, which impose no tariff in export of house coats and similar synthetic fibre clothes to countries like Germany and UK. Similarly, UP's export of cotton T-shirts to countries like USA, Germany, UK, France and Spain loses out to exports from Honduras, Nicaragua, El Salvador, Bangladesh, Turkey, Portugal etc, which have zero tariff.

PWC has proposed infrastructural interventions in Gautam Budh Nagar and Kanpur. The measures include setting up of an apparel park in Gautam Budh Nagar, common facility centres, laboratories by testing agencies, design labs and apparel manufacturing training centres, raw material depots and sourcing hubs.

"UP already has a 'Handloom, Powerloom, Silk, Textile and Garmenting Policy of 2017' which is being used to provide incentives to manufacturers but needs to be publicised more. We are also looking at technology transfer for upgradation of automation in manufacture of raw material and apparel. There is also a need to encourage manufacturers to diversify," Singh said.