


Garment makers eye emerging mkts

	Year	Total Exports Of Apparels (In \$ bn)	Apparel Exports As %age Of Total Exports
TOUGH TIMES *April-September	2011-12	13.7	4.7*
	2010-11	11.6	4.3
	2009-10	10.7	5.9

Dipti Jain | TNN

New Delhi: Apparel export companies in India are eyeing emerging markets like South Africa and Latin America, as demand in traditional markets such as Europe and the US has come down considerably in the last one year. While value of exports increased by 18% to \$13.7 billion, exporters said the increase has been primarily because of rise in prices of raw materials. According to the Apparel Export Promotion Council (AEPC), volume of apparel exports fell by nearly 8% due to lack of demand in Europe.

"There is very little demand for Indian apparel in the US and Europe — our two big markets. We are taking initiatives to diversify to countries such as South Africa and parts of South America to make up for the losses," said A Sakthivel, chairman, AEPC.

Although business is slowest in the July to September period, exporters said the

lean period has set in three months in advance this year. "At the moment, there is no buying at all from the European markets. We have to cut down our profit margins to retain our customers as prices of goods have also gone up," said Praveen Nayyar, MD, Dimple Creations, an export house. With 80% of his business coming from Europe, Nayyar said his firm has registered a 30% fall in the business.

Rakesh Magu, director of Jyoti Apparels Group, another exporter, said it was exploring new markets as hopes of revival of demand in European countries are dim. The firm exported apparels worth \$1.8 million to Korea in 2011-12, a market it has entered for the first time. Coupled with an increase in prices of raw materials by nearly 20%, the situation for exporters has worsened further as this has caused brands to move to countries like Bangladesh and China that have greater productivity and low prices compared to India.