

F. No. 12015/24/2025-TTP
Government of India
Ministry of Textiles
(Textile Trade Promotion Section)

Udyog Bhawan, New Delhi
2nd September, 2025

OFFICE MEMORANDUM

Subject: Constitution of Committee on enhancing Cost Competitiveness and Innovation

1. Background

India's textile, apparel, and handicrafts sector is among the largest employers in the country, contributing nearly 2% of GDP and around 8.2% of merchandise exports. With exports valued at USD 35–40 billion annually, the sector is poised for significant growth, aiming for USD 100 billion by 2030. Despite its strong global reputation, India's textile sector faces persistent cost disadvantages compared to competitors like Bangladesh, Vietnam, and China. High logistics costs, energy expenses, compliance costs, and taxation inefficiencies add to the financial burden. Simultaneously, limited investment in R&D, digitalization, and sustainable technologies hampers innovation and value creation.

To enhance India's global competitiveness and secure its leadership in sustainable and high-value textiles, it is imperative to focus on **reducing cost burdens while fostering innovation-driven growth**. In view of this, the Union Minister of Textiles has announced the constitution of a **"Committee on Enhancing Cost Competitiveness and Innovation."**

2. Constitution of the Committee

The Committee on Enhancing Cost Competitiveness and Innovation (hereinafter "the Committee") is hereby constituted as under to operate as an advisory body to the Ministry of Textiles:

S.No	Role	Name/Designation
1	Chairperson	Chairman, MATEXIL
2	Vice Chairperson	Representative from Grasim Industries Limited
3	Member	Representative from Gokaldas Export Limited
4	Member	Representative from Indo Count Industries Limited
5	Member	Member from TEXPROCIL
6	Member	Member from AEPC
7	Member	Member from EPCH/HEPC

8	Member	Representative from SIMA
9	Member	Representative from Ludhiana Hosiery Manufacturers Association
10	Member Secretary	ED, MATEXIL

The committee will be submitting its report & recommendations to the Ministry of Textiles.

3. Objectives

- To identify cost disadvantages across the textile value chain and propose measures to reduce them.
- To recommend strategies that enhance productivity, efficiency, and competitiveness of Indian exporters.
- To promote innovation through R&D, digital technologies, design, and sustainable practices.
- To align India's textile industry with global benchmarks on cost-efficiency and innovation.
- To support the long-term vision of positioning India as a global leader in sustainable, high-quality, and innovative textiles.

4. Functional Scope of the Committee

The Committee shall undertake:

- I. **Cost Competitiveness Analysis:** Map cost structures across raw materials, logistics, energy, labour, compliance, and taxation and benchmark India's costs against key global competitors and propose measures to reduce effective production and export costs.
- II. **Process Efficiency & Productivity:** Recommend measures to improve productivity and reduce wastage in manufacturing and suggest digital and lean manufacturing practices to enhance efficiency.
- III. **Innovation & R&D:** Propose mechanisms to strengthen R&D in fibres, fabrics, technical textiles, and sustainable materials and encourage partnerships with TRAs, academic institutions, and global research bodies.
- IV. **Sustainability & Technology Adoption:** Recommend adoption of green energy, circular economy practices, and low-cost sustainable technologies and explore Industry 4.0 solutions, digital traceability, and smart manufacturing.
- V. **Branding & Design Innovation:** Suggest ways to integrate innovation into branding and design for global markets and encourage incubation of start-ups and design houses focusing on new-age textiles.
- VI. **Strategic Roadmap:** Formulate short-term (1–2 years), medium-term (3–5 years), and long-term (beyond 5 years) recommendations to improve cost competitiveness and innovation.
- VII. **Stakeholder Engagement:** Consult with industry associations, EPCs, banks, innovation labs, start-ups, and international experts.

VIII. The Committee may also recommend commissioned studies through NITI Aayog, ICRIER, or Textile Research Associations.

5. **Timeline and Reporting**

- The Committee shall convene its first meeting within 15 days of constitution.
- Interim report to be submitted within 4 weeks.
- A final comprehensive report, including an action plan with short-term (1-2 years), medium-term (3-5 years), and long-term (beyond 5 years) strategies, shall be submitted within 3 months.

6. **Secretariat and Resources**

- Nodal EPC shall provide secretarial and research support.



(Kumar Gaurav)

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To,

1. Chairman, TEXPROCIL
2. All the members of Committee

Copy for information to: PPS to MoT/ PPS to HSMoT/ PPS to Secretary (T).

