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PRESS RELEASE

AEPC criticises govt statement on GAP's sourcing from India

New Delhi, July 27 -- The Apparel Export Promotion Council (AEPC) today reacted strongly to the statement made by minister of state for labour and employment Harish Rawat that the US-based GAP Inc has banned imports of Indian textile and clothing on the pretext of Indian units using child labour.

"It (the statement) is factually incorrect," said AEPC chairman Rakesh Vaid. "In fact, the San Fransisco-based clothing and accessories retailer plans to increase its sourcing requirements of textiles and clothing from India in the near future."

Mr Vaid said such statements may create tremendous harm to Indian garment exports which are already under stress due to global economic slowdown and have shown declining trends in the past ten months.

"In such sensitive matters, one must verify facts before issuing public statements," he said after speaking to GAP Inc's country head Anant Sardana.

The retail chain headquartered in San Fransisco imports products worth a billion dollars annually from Indian manufacturers. The apparel brands of GAP Inc are GAP, Banana Republic, Old Navy, Piperlime and Athleta.

Mr Sardana told Mr Vaid that he was also shocked to hear about the minister's statement. "Such statements send wrong signals to our corporate headquarters in the United States," he said.

Mr Vaid added that the AEPC had clarified the industry's position on an isolated case about six months ago and assured the government that it is adhering to child labour laws.

The industry has taken proactive steps such as external social audits, collaboration with local administration, non-governmental organisations and social activists, concerted action in child labour prone districts, examination of supply chain to

ensure that exporters, suppliers and subcontractors conform to child labour laws, he said.