

Textile firms export health products to recoup losses

KARACHI: Pakistan's textile sector has devised a strategy to boost diminishing exports, damaged by the lethal Covid-19 pandemic, by exporting health-related products such as protective gowns, scrubs and masks.

"In June 2020, textile exports are expected to surpass \$1-billion mark," said the management of Gul Ahmed Textile Mills Limited in a corporate briefing held on Monday.

Business suspension during lockdown coupled with loss of export orders caused a financial dent of Rs8 billion while contribution margins fell Rs1.6 billion, the management said. It pointed out that the retail segment had not yet normalised because outlets were functioning for limited timings and remaining completely closed at weekends, which was usually the time of increased sales.

However, July is expected to turn out to be promising for the textile industry owing to a large number of orders related to the health segment such as protective gowns, scrubs and masks, which have been approved by the US Food and Drug Administration (FDA).

"While retail stores of the apparel segment remained closed during the lockdown, Gul Ahmed stayed shut for approximately eight weeks," said Topline Research analyst Hammad Akram.

The home textile segment was another section where the company was confident of getting export orders and it was expected to grow because demand had increased significantly as people spent more time at home, said Akram.

"With respect to textile orders in the health segment, the situation is much better now compared to previous months," said **Towel Manufacturers Association of Pakistan** Secretary General **Muzammil Hussain**.

"However due to the lockdown, our factories are not operating at full capacities, thus, it is becoming exceedingly difficult to meet commitments."

In addition, prolonged electricity load-shedding was adding to difficulties of the industry, he said. Owing to the Covid-19 pandemic, the government of Pakistan has approved only a few products for exports keeping in view the fact the country may need unapproved products.

Looking at the situation, many businesses in the textile export sector diversified by introducing health-related merchandise, said Pakistan Cloth Merchants Association Secretary General Arif Ismail.

He said that it could not mitigate the damage already done to the textile sector by load-shedding.