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TEXPROCIL meets Parliamentary Committee



Shri Ujwal Lahoti, Chairman, TEXPROCIL (5th from Right) & Dr. Siddhartha Rajagopal, Executive Director, (6th from Right) along with other Texprocil Officials at a meeting on issues relating to GST with the Parliamentary Standing Committee on Commerce in New Delhi on Nov. 3, 2017.

CHAIRMAN'S MESSAGE



Dear Friends,

As we all returned from celebrating the Festival of Lights "Diwali", during the third week of October, we were greeted with the good news of the Council being selected for participation in the prestigious "PREMIER VISION" Fair held bi-annually in Paris.

We also met the Hon'ble Minister of Textiles on October 27, 2017 and apprised her of the various pending issues apart from inviting her to be the Chief Guest at the Council's Award Function to be held shortly. We were also asked to make a presentation to the Parliamentary Standing Committee on Commerce on issues relating to GST. The Council also organised the visit of the Duty Drawback Committee to Ahmedabad in connection with

extending the ROSL benefits to Fabrics and also revising the All Industry Rate of Duty Drawback, wherever necessary.

Participation in Premier Vision, Paris

Premier Vision, Paris (PV Paris) is an important and prestigious Fair showcasing creative designs and high quality textiles accompanied by a stringent selection process conducted by internal and external screening committees to admit new exhibitors.

PV Paris is a platform for high end positioning for distinct products and designs. The Fair covers Yarns, Fabrics, Designs, Knitwear solutions, Upper Jeanswear, Manufacturing, Accessories and Sourcing Connections.

With the concerted efforts of the Council and the Indian Embassy at Paris, TEXPROCIL has been selected to exhibit at the Institutional

Pavilion at PV Paris to promote products of PV approved Indian Exhibitors. Recognising the role of Texprocil in promoting Indian Cotton Textiles worldwide, the organisers of PV Paris have also offered to consider applications of deserving exporters / Members of the Council. Accordingly, the Council has issued circular to all the Members seeking their interest in exhibiting at this Fair. We are happy to note that some of our members have responded positively and their company details have been sent to the Organisers for consideration. More Members are requested to take advantage of this opportunity to exhibit at PV Paris so as to reach out to leading importers of high end textile products.

Meeting with the Hon'ble Minister and Secretary Ministry of Textiles

We met the Hon'ble Minister and Secretary, Ministry of Textiles on October 27, 2017 along with the

CHAIRMAN'S MESSAGE

CONTINUED FROM PAGE 1

Office Bearers of CITI and discussed various pending issues relating to the Foreign Trade Policy and ROSL for Made-UPS and Fabrics. The Hon'ble Minister agreed to make recommendations to the Ministry of Commerce on the FTP issues and also take up ROSL for Fabrics. We also explained the proposals to the Secretary, Ministry of Textiles who agreed to get them examined for further action.

We also requested the Hon'ble Minister of Textiles to be the Chief Guest at the Council's Awards Function to be held in the second week of December at Mumbai. We also requested the Secretary Textiles to preside over the Function. Final confirmation will be available after the date of the Awards Function is finalised.

Visit of Drawback Committee to Ahmedabad

The Government is in the process of reviewing the ROSL rates for Made ups and Garments and also the proposals for revising the All Industry Rates of Duty Drawback, wherever necessary. In this regard, the members of the Drawback Committee Shri G.K.Pillai, Shri Y.G.Parande, Shri Gautam Ray and the Under Secretary (Drawback) Shri Anand Jha had visited Ahmedabad on October 30 and 31, 2017 and held meetings with various EPCs/Associations.

The Council had arranged factory visits for the Drawback Committee members. The Committee visited Arvind Limited, Uma Ginning and Balkrishna Textiles to understand the procedures involved in ginning and weaving (both grey and dyed fabrics) in addition to the incidence of embedded taxes.

Presentation to the Parliamentary Standing Committee on Commerce

I am glad to inform you that the Council was given an opportunity to make a presentation on the "impact of GST on exports" before the Parliamentary Standing Committee on Commerce headed by Shri Naresh Gujral in New Delhi on 3.11.2017. In its presentation, the Council had highlighted the difficulty faced by the exporters due to delay in getting the refund of GST on exports. The Council also brought to the notice of the Committee the need to refund accumulated Input Tax Credit on fabrics, the problems faced by merchant exporters in fulfilling the conditions prescribed by the Government while procuring goods from the manufacturers for exports and the technical glitches faced by the exporters in filing returns online on the GSTN portal. The Council also proposed to the Committee that the old Duty Drawback rates should be extended till 31.3.2018 as a transitional arrangement and to refund embedded taxes on export goods.

The Committee sought a detailed Note on Embedded State & Central Taxes and the impact of reduction in the Duty Drawback rates on exports of textiles. The Council has forwarded these details to the Committee and hope that the issue will get addressed.

Summing up

Friends, the exporting community is passing through uncertain times even though exports are showing an increasing trend! The trying times are primarily on account of the adjustments all of us are making in our business practices under the GST system and the consequent reduction in the duty drawback rates and other incentives. At the same time, the strengthening rupee and the tariff concessions given to our competitors by EU, Canada are acting as strong headwinds. In the US, a large number of brick and mortar retail stores are closing down with the advent of e-commerce which is growing at an "Amazonian" pace.

Yet, Indian export growth is being reported against all the odds which goes to show the innate resilience of our manufacturing and trading systems. The underlying message is positive and we only hope that it gets better with the times.

Ujwal R Lahoti
Chairman

:: TEXPROCIL ::



JOIN US... NOW!

& avail of our
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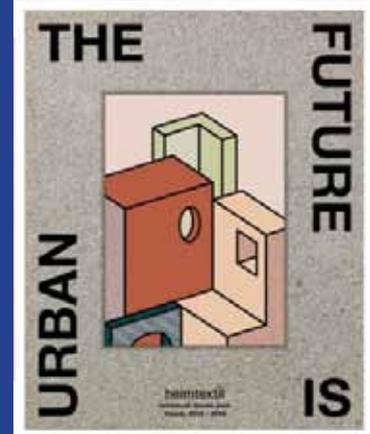
To know more, please write to us on
email: info@texprocil.org

COVER STORY

Heimtextil 2018/19 trends:
“THE FUTURE IS URBAN”

Heimtextil trend book 2018-19

Urbanisation is one of the key words of our time. More than half the world's population already lives in cities. In its “Theme Park” inspiration area, the upcoming Heimtextil (9-12 January 2018) will reveal how urban life is likely to impact the worlds of living and working in future. As part of the official “Theme Park” preview recently in Frankfurt am Main, the London design studio FranklinTill gave an initial insight into the new trend concept. Under the title “The future is urban”, the trend experts presented the new Heimtextil Trendbook, presenting their predictions for future interior design.



FranklinTill and all the trend experts involved have managed to provide the international interior industry with a superb source of inspiration to use in their product developments. With the new Heimtextil Trendbook, textile manufacturers, designers, fitters and furnishers will get

a valuable overview of trailblazing design developments. The “Theme Park” will also provide in-depth information about new design themes during the trade fair in January. The elaborately designed presentation in hall 6.0 will incorporate market-defining themes and present solutions for the textile interior of tomorrow.

Four “Spaces” depict macro trends

The new book and the showcase at the trade fair will give a comprehensive idea of how rooms will be designed in the future. How will we live, work, shop and cohabit? Four so-called Spaces will provide a platform for upcoming lifestyle trends and present numerous pioneering projects and creative works.

The Flexible Space

This lifestyle trend shows solutions for big city dwellers who are increasingly living like modern nomads and in ever smaller flats.



Designers, architects and planners tackle this challenge with a great deal of ingenuity and optimise the available space with convertible and adaptable design.

The Healthy Space

We've long known the far-reaching effect that the spaces in which we live, work, learn and relax can have on our well-being. Designers, architects and materials scientists



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COVER STORY contd. from Pg. 3

Heimtextil 2018/19 trends: “THE FUTURE IS URBAN”

are increasingly searching for innovative design that promotes our levels of health, satisfaction, attentiveness and productivity.

From the integration of plants indoors to new directions in wellness, the healthy space is on the rise.

The Re-Made Space



Another phenomenon of urbanisation is the rapid generation of waste. For the first time in history, the amount of waste

produced in cities is growing faster than urbanisation itself. To conquer this huge mountain of waste, cities must understand that the future is to put waste on an equal footing with resources. This will make waste a starting point for new design.

The Maker Space

The maker movement has triggered a revolution in the manufacture of interior design objects. It has the potential to



fundamentally change production, particularly thanks to the democratisation of digital manufacturing technology. DIY instructions, open source and downloadable designs make it possible for everyone to develop their own personalised products wherever they might be.

Five additional themes showcase the colours, materials and designs of the new season

The trend experts have also worked on the development of an additional five themes that give an outlook on the trendy colours, materials and designs of the 2018/19 season.

Relax/Recharge

Colours are known to influence moods and feelings. In contrast to current views, blue has been shown to be stimulating and red calming.



Relax/Recharge is a transformative design option that uses the power of colours to bring the energy balance of over-stimulated urban living worlds back into equilibrium.

Walls, floors and furniture are completely immersed in colour.

Perfect Imperfection



Indigo, one of the oldest dyes in the world, is currently much in vogue among numerous current brands and designers. They are rediscovering indigo dyeing and accepting all of the foibles and the many colour

gradations of this deep blue colour. Based on the Japanese philosophy of Wabi-Sabi (“accepting the imperfect”), materials and products bear the traces of the way they were made.



For more information on
Global Textile Markets,
Please contact us on
Email : info@texprocil.org



**SPECIAL
FEATURE**

**The Gloom and Booming
Apparel Retailing Markets**

The world largest companies by market capitalization in 2006 lost their leading position to the benefit on IT giants in 2017. The traditional industrial heavy weights, such as Exxon Mobile, General Electric, and Gazprom, started to be dwarfed by Apple, Alphabet, or Microsoft.

During the last 10 years, the knowledge industry has kicked in with a strong influence on all aspects of the world's industrial organization. The last decade was especially characterized by turbulent times for traditional retail stores. Store-based retail companies engaged in very aggressive price strategies to compensate decreasing margins by increasing volumes, stopped expansion plans, closed shops, and cut off jobs.

Despite tremendous efforts to compete, traditional retailers have been replaced by new entrants, mirroring the world transition to information-based business models. For example, Amazon's market value was \$17.5 billion in 2006. This was a humble 8% of Walmart's value at the time. In 2016, Amazon's market value had grown to \$351.8 billion, which represented 160% of Walmart's value the same year, no that humble of a figure anymore.

**COVER STORY
contd. from Pg. 4**

**Heimtextil 2018/19 trends:
"THE FUTURE IS URBAN"**

Brush strokes and seams are made visible and welcomed as part of the poetic documentation of the creative process.

Soft Minimal

Urban living systems are multifunctional and can be adapted. Soft Minimal focuses on interior designs and products that appeal because of their functionality and are valued for a lifetime. Cosy materials – wool, felt, linen and bouclé yarn – give a minimalistic flat some warmth and personality. A reserved colour palette of muted pastel colours and neutral shades

complemented by matt black ensures timeless elegance.

Adapt+Assemble

Freed of all excess frills, the designs appeal with geometric and interchangeable shapes and materials that are perfect for packing and transporting – travelling and moving made easy. The textile techniques



used are simple and reliable. Industrial materials are reinterpreted and converted for home use.

Bright primary colours ensure a playful appearance.

Urban Oasis



Designers transform interiors into green oases in order to use nature to achieve an increased sense of well-being. Green is regarded as the most relaxing colour for the eye. Lush green shades are used to refresh both body and soul. Dark forest and sage green are mixed with matt pink. Textures that imitate nature ensure a full, soft feel.

Beyond the "Theme Park" and Heimtextil trends for 2018/19, the trade fair will also focus on the theme "The future is urban": with its new exhibition format "Interior. Architecture. Hospitality Expo", Heimtextil will give answers to questions relating to sustainable urban design as well fire protection regulations and structural requirements. Selected suppliers will present their textile products and material solutions in the exclusive surroundings of the new Expo in hall 4.2. In this way, they can position themselves to specifically target interior designers, hoteliers and project planners.

Those interested in trends can already get some answers to their furnishing questions of the future on www.heimtextil-theme-park.com.

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SPECIAL FEATURE contd.

The Gloom and Booming Apparel Retailing Markets

In fact, while Walmart's value increased by 2% during that period, the value of its fairly new internet-based competitor increased by 1910%. The advent of e-commerce has happened while consumer habits were disrupting. At that time, the old giant's commercial strategies were rather detrimental to their growth and technological innovations were setting the path to a new future. Traditional retailing market where glooming while internet retailing markets were booming.

A. Store-based retailing: a glooming market

The share of all sales originated in stores has decrease from 95% in 2002 to 85% in 2016 (Euromonitor). That year, 61% of all stores were hosting Apparel and Footwears Specialist Retailers like H&M, Zara, or Uniqlo. Parallely, the customer price index (CPI) in the clothing industry decreased by 4.8% between 1996 and 2016. In 2015, the estimated worldwide size of store-based retailing market was 1.4 trillion US\$. Between 2010 and 2015, this market strongly decreased in Brazil, some European countries, and Japan, while they strongly increased in Asia, Saudi Arabia, and Argentina. On average, store-based activities stagnated during these years. In addition, on average, the price of a pair of jeans went from US\$37 to US\$30\$, a decrease of 23%. A shirt went from US\$28 to US\$23, a 22% decrease.

The apparel industry survived because, in the meantime, the number of apparel units per capita increased from just about 11 pieces to just above 14 pieces a year. Margin contraction was partly compensated by increased volumes. The surplus was, however, mainly absorbed by another type of retailing model, the booming internet-based retailing market.

B. Internet-based retailing: a booming market

The internet retailing market for apparel and footwear has been growing all over the world at an average rate of growth of 24% during 2010 and 2015. This growth was driven by Asia, the middle east, and central and south America, with annual growth over 100% in some cases. The developed western countries seem to be slow at changing their consumption habits. Indeed, half of internet retail sales are originated in Asia Pacific in 2016 (Euromonitor).

The internet based retailing market for apparel and footwear is relatively smaller than the store-based retailing market for the same products. However, it evolution shows clear signs of disruption in customer habits (the way consumers buy) and retailing strategies (the way retailers sell). Marked demographic changes and business norms explain part of this evolution. Experts cites the emerging middle class in many developing countries, the millennials' consumption,

the convenience of using smart devices in purchasing actions, changes in supply chain and logistics (seamless shipping, delivery and returns), integrated in-store and online experiences, or payment through mobile applications.

According to Euromonitor, the future growth of the apparel market is very highly correlated with current repartition of internet sales retailing. Moreover, the same countries that are driving internet sales retailing sector will be driving the apparel market growth between 2015 and 2020. This market is estimated to reach 1.3 trillion by 2020 and grow at an annual compound rate of 2.5%. While market increases are expected in Asia, the middle East, Argentina, and central and Sud America, it is expected from France, Germany, and Japan, to experience market contraction.

B. Internet-based retailing: a booming market

As presented in Figure 8 below, the internet retailing market for apparel and footwear has been growing all over the world at an average rate of growth of 24% during 2010 and 2015. This growth was driven by Asia, the middle east, and central and south America, with annual growth over 100% in some cases. The developed western countries seem to be slow at changing their consumption habits. Indeed, half of internet retail sales are originated in Asia Pacific in 2016 (Euromonitor).

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Avail of more detailed information on
EXIM POLICY
at TEXPROCIL GREIVANCE REDRESSAL CELL
email: ravikumar@texprocil.org

Join Us... Now! Avail info. on Membership Benefits on email : info@texprocil.org

TRADE NOTIFICATION

MEMBERSHIP SATISFACTION SURVEY

Dear Member,

Kindly fill in your complete information below and respond to the questions below by tick (✓) marking appropriate response in the space provided or with suggestions in brief wherever necessary. We value your association with us and prompt feedback.

COMPANY INFORMATION

| | | |
|---------------------------------|---|--|
| Name of the Company | : | |
| Contact Person & Designation | : | |
| TEXPROCIL Membership (RCMC) No. | : | |
| Email Address & Website | : | |

1) Kindly rate the following services offered by Texprocil on rating of 1 to 5. in order to serve you still better.*
 1= Excellent, 2=Good, 3 = Satisfactory, 4 = Needs Improvement, 5 = Not Availed (N.A.)

| Membership | Rate Here | Trade Development | Rate Here | Trade Promotion | Rate Here | Trade Services | Rate Here | Trade Intelligence | Rate Here |
|------------------------------|----------------------|------------------------------------|----------------------|----------------------|----------------------|---|----------------------|--------------------------|----------------------|
| Procedure for New Membership | <input type="text"/> | Publication: E-Newsletter | <input type="text"/> | Intl. Fairs & Events | <input type="text"/> | Certificate of Origin | <input type="text"/> | Interactive Website | <input type="text"/> |
| Membership Renewal | <input type="text"/> | E-serve | <input type="text"/> | Seminars & Workshops | <input type="text"/> | Grievance Redressal Services | <input type="text"/> | E-News Clippings | <input type="text"/> |
| RCMC Amendment | <input type="text"/> | Circulation Trade Enquiries/ Award | <input type="text"/> | MDA/MAI Schemes | <input type="text"/> | Information on Exim policy/ Amendment DBK | <input type="text"/> | Information Disseminated | <input type="text"/> |

| | | | | |
|---|---------------------|----------------------|----|----------------------|
| 2) a. Are you generally satisfied with the services actively availed by your company and marked above? Tick (✓) | YES | <input type="text"/> | NO | <input type="text"/> |
| b. If you have replied 'no' above, please suggest how the Council can improve the services (use additional sheet if required) | Suggestions: | | | |

| | | | | |
|---|---------------------------------------|----------------------|--------------------------------|----------------------|
| 3) How is your company benefitting from the Exhibitions / BSMs being organized by the Council? Tick (✓) | Accessing new Markets | <input type="text"/> | Generating additional business | <input type="text"/> |
| Others (Pls. Specify): | Making new Contacts (Trade Enquiries) | <input type="text"/> | Any Others | <input type="text"/> |

| | | | | |
|---|---|----------------------|-----------------------------------|----------------------|
| 4) How is your company benefitting from the Export Facilitation services being provided by the Council? | Information on Export Policy / Procedures | <input type="text"/> | Responses to various EXIM queries | <input type="text"/> |
| Others (Pls. Specify): | Redressal of Trade related grievances | <input type="text"/> | Any Others | <input type="text"/> |

| | | | | |
|---|-----|----------------------|----|----------------------|
| 5) Have you recommended TEXPROCIL Membership to other companies? Tick (✓) | YES | <input type="text"/> | NO | <input type="text"/> |
|---|-----|----------------------|----|----------------------|

| | | | | |
|---|---------------------|--|--|--|
| 6) Do you have any other suggestions to offer regarding TEXPROCIL Member Services? (use additional sheet if required) | Suggestions: | | | |
|---|---------------------|--|--|--|

*Kindly ignore this feedback form, if you have already responded.

Join Us... Now! Avail info. on Membership Benefits on email : info@texprocil.org

**TRADE
NOTIFICATION****TEXPROCIL MEMBERSHIP
ANNUAL RENEWAL SUBSCRIPTION**

The Registration as well as Renewal fees for membership of the Council has been revised w.e.f. 01.04.2017.

Accordingly New Registration Fee Structure is as follows:-

| Type of Membership | Amount (Rs.) | GST @ 18% | Total Amount (Rs.) |
|---|----------------|---------------|--------------------|
| Member (with Voting Right) (including Rs.6000/- as Entrance Fee) | 17000/- | 3060/- | 20060/- |
| Registered Textile Exporter (including Rs.3000/- as Entrance Fee) | 9000/- | 1620/- | 10620/- |

The Annual Renewal Subscription amount for the financial year 2017-2018 (due from 1st April, 2017) is as follows:-

| Type of Membership | Amount (Rs.) | GST @ 18% | Total Amount (Rs.) |
|------------------------------------|----------------|---------------|--------------------|
| Member (with Voting Right) | 11000/- | 1980/- | 12980/- |
| Registered Textile Exporter | 6000/- | 1080/- | 7080/- |

Note for Members:

Members are also requested to submit the CA Certificate as per the format given below certifying the Export Turnover for F.Y. 2015-2016 & F.Y. 2016-2017 i.e. the amount of actual FOB value of exports of Cotton Textiles excluding Readymade Garments and Handloom Textiles.

Members may note that the eligibility criterion of annual export turnover is minimum Rs. 2 Crore. Those not fulfilling the criteria will automatically be renewed as RTE i.e. Registered Textile Exporter.

RTEs are not required to submit the CA certificate.

Format of Chartered Accountant Certificate to be submitted by Members only:**CHARTERED ACCOUNTANT CERTIFICATE
(on C.A.'s Letter Head)****TO WHOMSOEVER IT MAY CONCERN**

This is to certify that M/s. _____ (Name and full address of the Member) having IE code No. _____ have exported Cotton / Cotton Yarn / Cotton Fabrics / Cotton Madeups (Excluding Handloom Items / Readymade Garments and Silks, etc.) during the financial year 2015-2016 & 2016-2017 as follows:

| Sr. No. | Description | 2016-2017 (Rs. FOB Value) | 2015-2016 (Rs. FOB Value) |
|---------|-----------------|------------------------------|------------------------------|
| 1 | Cotton | | |
| 2 | Cotton Yarn | | |
| 3 | Cotton Fabrics | | |
| 4 | Cotton Made-ups | | |
| | TOTAL | | |

(Stamp & Signature of Chartered Accountant)
(Membership No. of Chartered Accountant)
(Firm Registration No. of Chartered Accountant)

PLACE:

DATE:

Note to Members & RTEs whose RCMC has expired on/before 31.03.2017:

Please apply immediately for renewal of RCMC with the following documents:

- [1] Copy of your Import-Exporter Code (IEC)
- [2] In case of Manufacturer Exporter, a copy of Manufacturing Licence
- [3] In case of changes in Partners, a copy of revised deed of partnership
- [4] In case of changes in Directors, a copy of Form 32/DIR-2 or Board Resolution for those who have resigned or newly appointed.

(For any further queries please write to Mrs. Smita Dalvi on email : smita@texprocil.org)