



Confederation of Indian Textile Industry

Speech

By

Shri Sanjay K Jain

Chairman

at the

61ST

**ANNUAL
GENERAL MEETING**

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Mumbai

CHAIRMAN'S SPEECH AT THE 61st ANNUAL GENERAL MEETING

Past Chairmen of CITI, my colleagues Shri T. Rajkumar, Deputy Chairman and Shri D. L. Sharma, Vice Chairman, esteemed members of the committee of CITI, Representatives of the Member Associations, Associate Members of CITI, Senior Industrialists from Indian textile & clothing industry, invitees, representatives of the media, distinguished guests, ladies and gentlemen,

It gives me a great pleasure to welcome you all to the 61st Annual General Meeting of Confederation of Indian Textile Industry (CITI). During the current year we have seen significant changes in economic landscape of the country. We have a stable Government at the centre with a strong mandate and there is a strong expectation in the business community which will help the Government to take positive economic decisions with wider administrative and procedural reforms. The Economic Survey 2019, outlines a vision to achieve a US\$ 5 trillion economy by 2024-25. Textile & Apparel industry is one area which can help current Government to achieve this economic vision quickly and effectively.

CITI's AGM have traditionally been providing a forum for evaluating the overall scenario of World and Indian economy and how Textile Industry, especially the Indian Textile Industry has performed in the last one year.

Apart from the industrial scenario, let me also present you in brief the major activities which CITI has undertaken

during this period.

The 61st Annual Report and Audited Accounts of CITI and CITI CDRA along with the Auditor's Report for the year ended 31st March 2019 are already with you.

The Economy

Global Economy has witnessed certain challenges such as normalisation by systemic central banks, elevated and volatile crude oil prices, geopolitical tensions, trade war between USA and China and prolonged uncertainty on Brexit which have resulted in weakening of global economy during the current year.

Global growth is forecasted at 3.2 percent in 2019, and is likely to go up to 3.5 percent in 2020 (0.1 percentage lower than in the World Economic Outlook April's report projections for both years).

Amid the declining economy, it is disheartening to know that India has slipped one notch in the World Bank's Gross Domestic Product (GDP) rankings of 2018, and has now become the seventh-largest economy with the United Kingdom and France ahead of India.

Government of India under the leadership of the Hon'ble Prime Minister, Shri Narendra Modi has taken various initiatives to improve the confidence in the Indian economy and to boost economic growth. India's GDP grew on an average of 7.7% during 2014-18 and 8% in Q1 of 2018-19 but it began to lose momentum throughout rest of the year.

As we all know that India is reeling under grave economic crisis. During the Q1 of FY 2019-20, India witnessed its slowest GDP growth since 2013 and grow at 5% as compared to China's growth at 6.2%. This is only the second instance since December 1999 that the GDP growth rate has fallen for five straight quarters. It is due to subdued economic activity in different sectors.

- During the same time frame, private spending grew at 3.1% which is one of the lowest rates since the new national accounts series began in 2012.
- Investments (gross fixed capital formation) grew at 4%, which reflects poor sentiment among investors and big companies.
- Government expenditure grew at a faster rate than the economy.
- Manufacturing sector, showed stagnation and grew at just 0.6 per cent as compared to 3.1% in the Q4 of 2018-19. Its share in GDP has also come down to 15.3% in Q1 of 2019-20 as compared to 16.2% during the same time period of 2018-19. The government's flagship programme, Make in India, aims to increase this share to 25 per cent by 2022.
- India's fiscal deficit crossed 77 per cent of the annual target for 2019-20 in July. Fiscal deficit till July stood at Rs.5,47,605 crore, against a target of Rs.7,03,760 crore for the full financial year 2019-2020. There are both structural and cyclical issues that are plaguing the Indian economy.
- As per the latest data released by Finance Ministry, India's GST collection in August dropped to Rs

98,202 crore from over Rs 1.02 lakh crore in the previous month showing a decline in sales.

- While the labour force survey, released by the government in July, showed a record high unemployment rate of 6.1 per cent for 2017-18.
- The RBI consumer confidence survey showed a drop-in consumer confidence for July over pessimist situation in job creation and overall economic scenario.
- Low consumer demand has negatively affected production in the automobile and allied sectors, as well as consumer goods.
- A persisting liquidity crisis in the micro, small and medium enterprises (MSME) added to the manufacturing sector's woes. The MSME sector accounts for 30 per cent of the country's GDP, anchoring 45 per cent of total industrial production. It also made up 48.1 per cent of total exports in 2018-19.
- The slowdown is a result of a global economic downturn especially, from global headwinds due to deceleration in developed economies, Sino-American trade conflict etc. The slowdown in global growth has adversely affected export demand, and given ongoing trade wars, the situation looks unlikely to change.
- In view of the above, the government has embarked on a series of stimulus measures aimed at bolstering growth, including the rollback of a tax surcharge on overseas investors, improved credit

flow, transmission of lower interest rates and relaxations in foreign direct investment (FDI) norms. In a move that will help the Centre bridge its fiscal deficit, the Central Board of the Reserve Bank of India decided to transfer a staggering 1,76,051 crore as surplus transfer to the government for 2018-19.

Performance of the Indian Textile industry

- Area under cotton cultivation reduced to 122.38 lakh hectare in 2018-19 compared to 124.29 lakh hectare in 2017-18. Production has been estimated at 361 lakh bales during the year under review as against 370 lakh bales in 2017-18
- Cotton prices were highly volatile during the 2018-19 with Shankar-6 prices ranged between Rs. 40,500 and Rs. 48,500 and the yearly average worked out to Rs. 44,713 per bale, which is higher than per bale price of Rs. 40,333 during 2017-18
- During the year 2018-19 international cotton price (Cotlook A Index) increased and the daily quotes of the Index ranged between 79.40 and 101.70 per pound and the yearly average worked out to 89.25 cents per pound, 12.81 per cent higher than previous year average of 79.12 cents per pound. In the previous year it ranged between 77.40 and 94.90 pound
- However, in the first quarter of 2019-20, the index reached a level of 81.62 cents, the minimum of the index stood at 76.00 cent per pound. The average of

daily quotes in the quarter worked out to 81.62 cents

- During the year 2018-19, MSP for medium staple cotton has been increased by 28.1% to Rs. 5,150 per quintal and for long staple cotton it has been increased by 26.2% to Rs. 5,450 per quintal. For the coming season of 2019-20, Cabinet further approved a hike of Rs 105 per quintal in the MSP for Medium Staple Cotton and Rs 100 per quintal for Long Staple Cotton for the season 2019-20
- The production of man-made fibres and filaments in 2018-19 is expected to be about 1,443 and 1,155 million kgs respectively as compared to 1,319 and 1,187 million kgs respectively in the previous year
- Production of cotton yarn and Blended & 100% non-cotton yarn stood at 4182 and 1680 million kg respectively in 2018-19 as compared to 4,064 and 1,616 million kg respectively during the last year
- Total Spun yarn production during the year reached 5,862 million kgs up from 5,680 million kgs during 2017-18.
- Total Fabric production stood at 70,056 million sq. m. in 2018-19 compared to 66,845 million sq. m. of 2017-18.
- During 2018, India slipped to 5th position from 2nd position in 2017 in terms of textile & apparel exports. India's textile sector is one of the largest contributors to India's exports. During 2018-19, India's T&A exports stood at 37.5 bn and had a

share of 11.4 % in total exports. During the April-July 2019, India's export of T&A sector witnessed a downfall of about 7% with cotton yarn exports declining by huge 37%, as compared to the same period of last year

- During 2018-19, India's imports increased to US\$ 7.4 billion as compared to US\$ 7.0 billion in 2017-18. With about 34% share in total textile & apparel imports, apparel was the largest imported category during 2018-19. During April-July 2019, India's imports of T&A increased by 14% with fibre showing the maximum rise of 35% compared to the same time frame of 2018.
- The industry is looking forward to the Government for immediate policy reforms for its revival from the current crisis.

Foreign Trade Policy 2019

- India's Foreign Trade policy (2015-20) was declared with an objective of cutting down the transaction cost and time, thereby rendering Indian exports more competitive. Foreign Trade Policy Mid-Term Review focused on increasing the incentives for labour intensive MSME sectors. In the recent development towards its foreign trade policy, Government made the following major changes
- In March, 2019, Ministry of Textiles replaced the Rebate of State Levies (RoSL) scheme that provided

rebate of only certain state taxes with Scheme for Rebate of State and Central taxes and Levies (RoSCTL) which provides incentives on export of garments and made-ups. The scheme is WTO compliant and is expected to be extended to the entire value chain of all sectors in a phased manner.

- Sourcing norms for single brand retail with foreign direct investment (FDI) have been relaxed and they are allowed to commence e-commerce operations before setting up brick-and-mortar stores.
- Recent increase of basic customs duty from 10% to 20% on certain fabrics, made-ups and garments, especially the synthetic items has given some safeguard measures to the domestic manufacturers as it restricted the imports considerably.

Effect of GST on Industry

- Under the present GST rates, textile commodities fall under the 0% to 18% tax cloud. Whereas, Silk and Jute fibre attracts tax at 0%, tax on MMF fibre yarns has been reduced from 18% to 12%. All textile job works are included under 5% GST and Apparels are taxed according to their price, with apparel priced below Rs. 1000 being charged at 5% and those which are priced above Rs. 1000 are charged at 12%.
- Though the GST was implemented to increase ease of doing business and simplifying the Indian taxation system, the effect seems to be reversed.

- The textiles and clothing industry have been affected post GST which is quite visible from the continuously rising imports especially of apparels from low cost manufacturing destinations like Bangladesh and Sri Lanka, which enjoys duty free access in Indian markets after GST.
- Due to the current taxation system, imports from these countries is cheaper by 15-20% as compared to domestically manufactured products and thus affecting the domestic industry. Apparel imports from Bangladesh has increased by about 82% during last one year to reach US\$ 365 in 2018-19 and if imports will continue to rise at the same rate, then it will lead to potential job loss of about 10 lakh people in India.
- Due to the inverted duty structure in the present system, a huge amount of working capital gets blocked in the processing, fabric and garment industry. As processing of refund takes a huge time, it leads to huge cash crunch in the industry.
- Indian T&A sector is majorly MSME where a lot of job working services are availed for stitching, knitting, weaving printing, embroidery, common effluent services, etc. Job working being categorised as services, the reality is that no refund is coming and hence the same is being passed on to next person in the chain, making the overall cost structure of Indian textiles expensive and impacting exports and attracting imports.
- Government may consider certain GST reforms which may prove to be beneficial for the industry

such as:

- Extend uniform GST rate of 5 % for MMF products - Fibre, Yarn and Fabric. (There would be no revenue loss, as Fabric is at 5% and all inverted duty is refundable. This would eliminate accumulation of ITC. It will only ease the working capital blockage of units plus avoid refund hassles & administrative cost and units will get the much-needed liquidity which is currently choking them).
- For apparels, increase the threshold limit to Rs.1,500/- from the present level of Rs.1,000/- on sale of apparel bearing 5% GST. It would help the domestic industry to stay competitive and fight with increasing imports from Bangladesh. It will also lead to increase in the demand of apparels and hence with more sales more revenue will be generated for Government.

Other Policy Interventions

- The Government has taken up a number of steps for promotion of investment, production, exports, creation of new job opportunities and improving the competitiveness of Indian textiles sector.
- Besides the duty drawback scheme, Government has replaced the Rebate of State Levies (RoSL) scheme that provided rebate of only certain state taxes with Scheme for Rebate of State and Central taxes and Levies (RoSCTL) which provides incentives on export of garments and made-ups.

- Launch of separate scheme for development of knitting and knitwear has to boost production in knitting and knitwear clusters under PowerTex India.
- To boost indigenous production and Make in India initiative, Government has increased Basic Customs Duty from 10% to 20% on 501 textile products where imports were showing steep growth when compared to the corresponding period of last year.
- Ministry of Shipping and PMO has relaxed Cabotage Rule for cotton transport which would help the textile mills in reducing the cotton transport cost by using foreign flag vessels.
- Due to absence of clear classification of Technical Textiles, many genuine manufacturers were not getting various incentives and subsidies which are being allowed to Technical Textiles. However, the Government notifies 207 HSN codes as Technical Textiles and is in process of developing another 40 new HS codes to cover the entire range. It will give a major boost to the Technical Textiles Sector which is considered as the Sunrise Sector.

Key Issues & Recommendations

- Last few years were a period of consolidation of policy/structural reforms such as implementation of GST, banking restructuring, demonetisation which disturbed the domestic demand and

dynamic foreign trade policy in the wake of on-going global trade war. Indian T&A sector has been identified as a Red and Stressed Sector as during 2018-19 credit flow to textiles sector contracted. During the same year, top 20 T&A companies have lost more than 45% market capitalization. Indian T&A sector is suffering from three structural issues:

- Relatively higher fibre, power and interest rates vis a vis competition
- Export cost including high level of duties, taxes etc.
- Relatively higher tariff rates in most major markets vis a vis competition
- These issues have made Indian Textile Industry on an average 10-20% more expensive against our competitors and hence, we are unable to grow despite having many inherent advantages.
- India's textile industry is bleeding and the current economic slowdown has compounded the worries for the textile mills owners. Bhilwara of Rajasthan, which is one of the major textile clusters, has experienced a decline in production by 15-20%. Due to the fall in economy, purchasing power of people have reduced, which have resulted in lower production and ultimately job losses. As a result, the country's textile industry is going through the worst phase with declining production and lower exports. Also, there is an influx of cheaper textile products from countries like Bangladesh, China, Indonesia, and Sri Lanka which have affected the domestic market a lot.

- CITI has been aggressively pursuing the issues of T&A industry since I became the Chairman of CITI as the Indian Textile Industry stands at a crucial juncture experiencing its worst phase and certainly needs maximum support from the government to overcome the unprecedented challenges.

I delineate below Sector wise key challenges being faced by the industry:

- Cotton yarn sector has been completely ignored by Government after 2014. Exports of cotton yarn which increased by 182% from US\$ 1,613 mn in 2009-10 to US\$ 4,550 mn in 2013-14, declined by 14% from US\$ 4,550 mn in 2013-14 to US\$ 3,895 mn in 2018-19. Government needs to consider extending RoSCTL support to cotton yarn exports and also provide loans to spinning sector at international competitive interest rates.
- Cotton Yarn exports attracts about 5-6% of embedded taxes (central & state taxes and levies) which are not refunded to the exporters at any stage and also prices of Indian cotton fibre are costlier than international prices which have resulted in 8 million spindles to go unutilized as already there are no takers for 30% exportable surplus cotton yarn. To control the cotton fibre prices, Government may consider introducing Direct Benefit Transfer (DBT) System to Cotton Farmers for the price difference of MSP and Market-linked price or Auctioning of CCI procured cotton by using the China's formula.
- Another important issue is the widening trade gap

with China which is also an RCEP member. Indian used to be a next exporter of T&A products to China during 2010-11 to 2013-14, however, after that, India's trade deficit with China is constantly increasing. India is losing its share of exports to countries like Vietnam, Pakistan Indonesia and Cambodia who enjoy duty free access to Chinese market, while Indian products carry 3.5%, 10% and 14% duty on yarn, fabric and made-ups, respectively. Since 2013, Vietnam's share in cotton yarn imports by China has increased by 139% while that of India has reduced by 37%. I request the Government to kindly engage with Chinese counterparts and push for duty free imports for our cotton-based products so as to prevent India from losing its share further.

- MMF downstream is not getting raw materials at international prices and domestic fibre producers charge prices higher than international prices thus making the sector globally uncompetitive. Anti-dumping duty on PTA make MMF products uncompetitive in the international market. Also, due to Inverted GST duty structure, huge funds are getting blocked and refunds become difficult and time consuming due to non-allowance of service GST adjustment against output liability.
- MMF Yarn exports attracts about 5-6% of embedded taxes, which are not refunded to the exporters at any stage. On the other hand, Post GST, landed price of imported yarn has become lower as compared to pre-GST scenario due to abolition of CVD thus leading to surge in imports of

spun yarn and fabrics. Government should consider increasing import duty on spun yarn from present 5% to 10%.

- To make MMF sector competitive, Government may consider extending RoSCTL to MMF yarn and Made-ups and also discontinue anti-dumping duty on MMF raw materials to ensure availability of raw materials of MMF at competitive international prices. Also, government may consider implementing uniform GST rate of 5% which would eliminate accumulation of ITC and at the same time there will be no revenue loss to Government.
- Indian fabric sector is suffering from tariff differential duties in major markets. Competitors, especially LDCs have the advantage of preferential duties in major export markets like USA, EU and China. Also export of fabric products attracts about 6-7% of embedded taxes which do not get refunded to the exporters at any stage thus making Indian fabric globally uncompetitive.
- Government may extend RoSCTL to Fabric exports as extended to Garments and Made-ups and also negotiate 0% import duty with China, equivalent to Vietnam, Pakistan and Indonesia.
- Other important issue which may not appear significant now but may cause serious damage to industry is the rising apparel imports mainly from Bangladesh which has increased by 82% in 2018-19 comparing to last year. It is an indirect entry of Chinese fabric into Indian market and if this issue is not dealt properly it would result in potential loss of

jobs and crores of investment in the apparel sector. To check the rising imports, Government may impose Rule of origin/Yarn forward rule on apparel imports from Bangladesh.

- Technical textile sector has huge potential but it is import intensive due to absence of technical expertise. Government may work towards attracting foreign direct investment in order to get the requisite technical know-how and expertise.
- There is also a paramount need to simplify ATUFS (Amended Technology Upgradation Fund Scheme) guidelines and clear all the pending TUF subsidies in a time bound manner for the modernisation of the textiles industry. To safeguard the large workforce in unorganized textiles industry, Employee State Insurance (ESI) benefits should be extended to the entire T&A value chain.
- Another game changer for the Indian T&A industry could be the signing of FTAs (Free Trade Agreement) with developed and large markets like Australia, EU-28 and Canada which will boost export of Indian apparels to these markets and it would be easier to beat competition from Bangladesh which at present enjoys duty free access to these markets.
- I am extremely confident that the Government will solve all these issues on priority and will continue its support for the Indian T&A industry.

Key Activities of CITI

CITI CDRA

- CITI's Cotton Development and research Association (CITI CDRA) is the research wing of CITI cotton development activities in India.
- The year 2018-19 was the eleventh year of the project in Rajasthan, the fourth year in Maharashtra and the second year in Madhya Pradesh. The project activities encompassed eight districts from these states and involved about 94133 cotton farmers from 1705 villages having 148518 hectares under cotton cultivation.

Rajasthan

- Area under cotton in Rajasthan has been increasing year after year, the area in 2018-19 was 629312 hectares as compared to 584230 hectares in 2017-18.
- Cotton yield in Rajasthan for 2018-19 works out to 737 kgs of lint per hectare and in respect of Upper Rajasthan it works out to 676 kgs and in Lower Rajasthan it works out to 800 kgs of lint per hectare.
- The project was implemented in Alwar, Bhilwara and Rajsamand districts of Rajasthan.
- The project activities essentially aimed at enhancing cotton yield in project areas by promoting Good Agricultural Practices (GAPs) for reducing the cost of cultivation and making cotton cultivation a profitable preposition for the cotton

farmers, by sustaining their interest in cultivation of cotton.

Maharashtra

- The project was implemented in Wardha district and Yawatmal district of Maharashtra covering 96 villages, 13098 cotton farmers with 25741 hectares of land under cotton cultivation.
- The project aimed at empowering the project farmers with the latest production, plant protection and nutrient management technologies through continuous training and mass awareness created by frequently organising farm visits, workshops, seminars and village level meetings.

Madhya Pradesh

- The project was implemented in Ratlam, Dhar and Jhabua districts of Madhya Pradesh. It covered 1423 villages involving 55735 cotton farmers having 57413 hectares under cultivation of Extralong Staple cotton.
- The project essentially aimed at improving yield and production of ELS cotton for meeting the increasing demand for super fine cottons from the textile industry and correct the imbalance between demand and supply of these cottons in the country.

CITI Birla Award

- CITI-Birla Economic and Textile Research Foundation has been conferring an award every year for excellence shown by a mill, selected based

on applications received from the mill industry. This year the award is for **Effective Cost Management in Textile Industry**. A jury chaired by Dr. Arindam Basu, Director of NITRA with the Directors of ATIRA, SITRA and BTRA as the other jury members has selected the winner for this year and the award will be presented here a few minutes later. My congratulations in advance to the winner and thanks to the Jury for selecting the winner.

'CITI Diamond Jubilee Celebrations – Global Textiles Conclave 2018'

- 'CITI Diamond Jubilee Celebrations – **'Global Textiles Conclave 2018'**', witnessed a grand opening at Vigyan Bhawan, New Delhi on 27th-28th November 2018. The theme of the event was “Disruptions and Innovations for Sustainable Growth”. During the two-day long event, textiles & apparel industry stalwarts, global thought leaders, regional industry association heads and other dignified experts deliberated on the disruptive ideas, innovative technologies and the best practices for a sustainable growth in the textile and clothing industry.
- The Chief Guest, Hon'ble Vice President of India, Shri M. Venkaiah Naidu inaugurated the event and the Guest of Honour, The Hon'ble Union Minister of Textiles, Smt. Smriti Zubin Irani delivered the Keynote Address in the Inaugural Session.

- The Hon'ble Vice President of India also conferred the Lifetime Achievement Award to Shri Suresh Kotak, Chairman, Kotak & Co. and also gave away Pioneering Awards to Shri Shekhar Agarwal, Vice Chairman, RSWM Ltd., Shri P. Nataraj, Managing Director, KPR Mills Ltd., Shri Neeraj Jain, Joint Managing Director, Vardhman Textiles Ltd. and Shri Sanjay Jayavarthanavelu, Chairman & Managing Director, LMW Ltd.
- The Hon'ble Union Minister of Textiles, felicitated the Past Chairmen of CITI by presenting Mementos to them for their commendable and untiring contribution towards the development of the Textile and Clothing Sector of India.
- The erstwhile Union Minister of Commerce & Industry and Civil Aviation, Shri Suresh Prabhu graced the Valedictory Session and delivered the Valedictory Address on 28th November 2018.

Innotex 2018

- First time in the history of Indian Textiles & Clothing, Confederation of Indian Textile Industry (CITI) launched an innovation contest for T & C Industry in India – **Innotex 2018** as part of CITI's Diamond Jubilee Celebrations.
- Shri Suresh Prabhu, former Union Minister of Commerce & Industry and Civil Aviation, gave away InnoTex 2018 Awards to the top three Winners for doing excellent work in their fields.

- **Mr. R Pothiraj** received the first prize for his innovation on '**32% Reduction in Energy Consumption in Running Airjet Looms**'.
- **Mr. Dhivagar** got the second prize for innovation in '**Zero Defect of Spandex Miss Plating in Knitted Fabric**'
- **Mr. Raj Kumar** got the third prize for innovation in '**Computerised Vertical Embroidery Machine**'
- Minister also awarded the trophies to **Technopak and NITRA** for being the knowledge partners of CITI Diamond Jubilee Celebrations and InnoTex 2018 respectively.

Memorandum of Understanding (MoU)s signed

I am happy to inform you that CITI signed six MoUs in 2018-19 with Textile Associations of major textile producing countries for the promotion of textiles and investment.

MoU with BGMEA & Uzbekistan Textile and Garment Industry

The Confederation of Indian Textile Industry (CITI) signed MoUs with Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and Uzbekistan Textile and Garment Industry during the CITI Global Textile Conclave held on November 27-28 2018 commemorating Diamond Jubilee at Vigyan Bhawan, New Delhi to carry out trade promotional activities.

MoU with Gujarat State Government

CITI Signed an MoU with Gujarat State Government on November 16, 2018 for betterment of state's apparel & textile industry. On behalf of CITI, Mr. Sanjay K Jain signed the MoU in Delhi in the presence of Shri Vijay Rupani, Chief Minister of Gujarat during the roadshow to promote Vibrant Gujarat Global Summit.

MoU with ZDHC

CITI signed an MoU with ZDHC on September 27, 2018 during the 60th Annual General Meeting of CITI for creating awareness among textiles and clothing industry players on zero discharge of hazardous chemicals and addressing environmental issues on a sustainability manner.

MoU with ACIMIT

An MoU was signed between Confederation of Indian Textile Industry (CITI) and Association of Italian Textile Machinery Manufacturers (ACIMIT) on 25th March 2019 at ACIMIT Headquarter. The MoU was signed by CITI Secretary General, Dr S Sunanda and ACIMIT Director, Mr Federico Pellegata

in Milan, Italy in order to enhance mutually beneficial cooperation and exchanges in the textile and clothing industries and to support each other in the events that either is organising.

MoU with NSE

National Stock Exchange (NSE) and CITI signed an MoU on September 27, 2018 during the 60th Annual General Meeting for creating awareness among stakeholders under the memorandum of understanding (MoU) the stock exchange will assist in imparting knowledge to CITI members on price risk management, hedging on NSE's platform for products like commodity, currency and debt.

Acknowledgment

- I feel elated completing my successful stint as Chairman CITI. As Chairman CITI, I have tried to touch upon every aspect of the industry and did my level best to address the issues of the industry. It has been a very wonderful, challenging and learning experience for me and a constructive association with the Apex Body of Textiles – CITI.
- Its a matter of pride for me that CITI is now being recognised as the only Industry Body covering the entire textile chain from fibre to garments for both domestic and exports. It is today the most invited Association by various Government Departments for all issues related to Textiles & Apparel and is consulted for data/analysis across segments.
- All this has been made possible with the valuable guidance and support of many people. Hence, let me take this opportunity to thank all of them who helped me and CITI a lot in the last 2 years of my tenure.

- At the outset, let me take this opportunity to thank Hon'ble Prime Minister of India, Shri Narendra Modi, for considering industry's view point of extending RoSCTL scheme for the entire textile value chain and setting up an inter-ministerial committee of secretaries to look for a new export incentive scheme especially for the yarn and fabric sector.
- I would like to extend my special thanks and express my deep gratitude to the Hon'ble Union Minister of Textiles, Child and Woman Development, Smt. Smriti Zubin Irani for her continuous support and cooperation to the textile sector and taking major steps in improving Ease of Doing Business in the entire textile value chain. She has been extremely helpful to the industry in tackling its problems and taking up our suggestions and issues with the PMO and other concerned Ministries for finding solution.
- I extend my sincere gratitude to former Secretary Textiles, Shri Raghavendra Singh, new Secretary Textiles, Shri Ravi Capoor and all senior officials and staff of Ministry of Textiles for their kind support.
- I am also thankful to the Hon'ble Union Minister of Finance, Smt. Nirmala Sitharaman and all the concerned officials of Finance Ministry, Customs Officials, Tax administrators and GST Council members for addressing various Tax and GST related issues of the industry.

- I would also like to express my sincere gratitude to Hon'ble Union Minister of Commerce, Shri Piyush Goel and other senior officials in the Ministry of Commerce for helping us in matters relating to Foreign Trade Policy.
- Let me also take this opportunity to thank NITI Aayog officials, especially Mr Rajiv Kumar, Vice Chairman and Mr Amitab Kant, CEO for discussing with CITI, the textile issues and taking it up with the PMO.
- I am thankful to all the senior Government officials of concerned Ministries and NITI Aayog for giving patient hearing to our issues and resolving some of them. They continue to work on the many other significant issues of the textile sector and I am hopeful that the seeds sown will bear fruits in the coming times.
- I would like to thank former Textile Commissioners for their support and welcome new Textile Commissioner, Shri Moloy Chandan Chakraborty.
- I also thank, all political leaders, and individuals who directly and indirectly extended valuable cooperation and support in addressing various issues affecting the textile industry.
- During the difficult years, the guidance of our Past Chairmen has helped CITI in meeting some of the challenges in the best way possible. I would like to use this opportunity to express my gratitude to all of them.

- Shri T. Rajkumar, our Deputy Chairman and Shri D.L. Sharma, Vice Chairman, have been of great help to me in discharging my responsibilities as Chairman CITI during the last two years. I am extremely grateful to both of them.
- I have received outstanding support from the Member Associations, Associate Members and Corporate Members of CITI as well as Chairmen of major Export Promotion Councils such as AEPC, TEXPROCIL, SRTEPC and PDEXCIL and other textile associations. I am happy that I could build relationships with all other large National and International level Textile Associations and CITI signed six MoU's with them in 2018-19. I sincerely thank all of them on behalf of CITI.
- CITI could also manage to create an excellent relationship with all major media players across the country. On behalf of CITI and the industry at large, I thank both print and visual media for the support extended by them to us during my Chairmanship of CITI. The proper projection of our issues by them helped us immensely in seeking remedies to some of them.
- During the last two years, CITI also recognised the importance of social media and have built a community around LinkedIn, Whatsapp and Twitter through which we are reaching out regularly to thousands of industry players.
- The new initiatives, however did not lead to the loss of focus for our marquee program of CITI CDRA, which has been appreciated by all including

Hon'ble Ministers. I take this opportunity to thank Shri P D Patodia, Convenor, CITI-CDRA and his team for their valuable contributions to Cotton Development and Research Activities.

- Finally, I would like to thank CITI Secretary General, Dr. S Sunanda and her team for all their hard work and dedication which they have shown throughout my Chairmanship, despite needing to work overtime and even on holidays. I also appreciate the Secretariat for handling every issue very effectively. I wish them all success in their future endeavours also.
- I am very much assured that my successors will leave no stone unturned in achieving industry goals and would extend my full support to them in all their future endeavours. With this, I once again thank everyone for making my stint as CITI Chairman a wonderful and enriching journey. I feel a leader's job is well done only when he is able to handover the baton to a more capable team, which I am sure of successfully doing.

Notes



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CONFEDERATION OF INDIAN TEXTILE INDUSTRY

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