

# FDDI NEWSLETTER

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Institution of National Importance (INI)  
under FDDI Act, 2017

A Weekly Newsletter  
साप्ताहिक समाचारपत्रिका

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08<sup>th</sup> March 2019

Issue No. 718

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## Footwear Market set to enter Rs. 1 Lakh Crore in 2 years

Brands launching products for online  
to differentiate from offline market

Footwear market will grow closer to Rs. one Lakh Crore in next two years, with the highest growth rate among lifestyle products. By 2021, the branded segment will grab half of the market and this will be aided by the faster growth in both organised and online retail.



In 2018, the footwear market was valued Rs. 63,520 Crore and it is expected to grow to Rs. 95,350 Crore by 2021. At a Compounded Annual Growth Rate (CAGR) of 14.5 per cent, it is the fastest growing category among lifestyle products, finds RedSeer Consulting.

According to RedSeer, branded footwear currently accounts for

44.5 percent share and unbranded dominates with 55.5 percent share. However in two years both will have an equal share of 50 percent as branded will be growing at a CAGR of 19 percent while unbranded segment at 11 percent.

By 2021, the branded segment will grab half of the market and this will be aided by the faster growth

At a Compounded Annual Growth Rate (CAGR) of 14.5%, it is the fastest growing category among lifestyle products

Organised retail with 25% share of the market is expected to grow at a CAGR of 18%

Online retail is growing by 27% and is expected to increase its share from 11% to 15% in next two years

At a slower pace of 11%, the traditional market will lose its share from 64% to 58%

The branded segment growth is being aided by the faster growth of both organised retail and online retail. Organised retail with 25 percent share of the market is expected to grow at a CAGR of 18 percent and grab 27 percent of the total pie. Similarly, online retail is growing by 27 percent and is expected to increase its share from 11 percent to 15 percent in next two years. At a slower pace of 11 percent,

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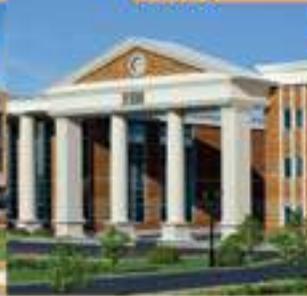
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the traditional market will lose its share from 64 percent to 58 percent.

“Going forward the share of organised retail will further increase with expansion of the brands in smaller towns of the country and entry of new players owing to 100 percent Foreign Direct Investment (FDI) in single brand retail. In case of online retail, standardization of product, convenience and high share of branded products is driving the growth. Online platforms are exploring private label play and are entering into exclusive partnerships with international brands,” said Pakhi Saxena, Head, Retail and Consumer Packaged Goods, RedSeer Consulting.

Brands are also launching dedicated product range for online channel to differentiate from offline channel and are using data analytics to grow the business.

Increasing consumption of footwear by women also is an encouraging trend. Women who account for 39 percent share of the market will take it up to 41 percent in two years at a CAGR of 16.5 percent. By then, men will lose their share from 51 percent to 48 percent as the growth rate is lower at 12 per cent. Though kids’ footwear is growing by 20 percent, the base is still small at 10 percent.

Casual footwear, which accounts for 70 percent market share will continue to outpace other segments at a CAGR of 14.5 percent.

(Source: The Asian Age)

## Govt. to help link kirana stores to online retailers

NITI Aayog CEO, Mr. Amitabh Kant on 5 March 2019 said the government will work on helping kirana stores and local traders link with online retail. “This is the government’s responsibility. We will definitely do that,” Mr. Kant said at a meeting with the Confederation of All India Traders (CAIT).

Mr. Praveen Khandelwal, National Secretary General, CAIT, said the traders’ body has no objection to the linking of online retail and kiranas. However, he said it is a contentious issue. “We need to deliberate this issue among ourselves and then will go with our views to the government,” he said.

The traders’ body was also of the view that the concept of MRP be looked at afresh. “MRP is a notional subject now. Let there be a realistic price, not MRP,” said Mr. Khandelwal. The CAIT also demanded that the cash-on-delivery system for e-commerce companies be stopped.

(Source: Business Line)

## Economy likely to grow at 7.3% in 2019 & 2020

Indian economy is expected to grow at 7.3 percent in calendar year 2019 and 2020, and the government spending announced ahead of elections this year which will support near-term growth, Moody’s said on 1st March 2019.

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The US-based rating agency said that the country is less exposed to a slowdown in global manufacturing trade growth than other major Asian economies and emerging markets and is poised to grow at a relatively stable pace in the two years.

“We expect India’s economy to grow around 7.3 percent in both years (2019, 2020),” Moody’s said in its quarterly Global Macro Outlook for 2019 and 2020.

Moody’s growth estimates is based on calendar year. India, however, measures its economic growth on the basis of fiscal year (April-March).

In 2018-19 fiscal, ending March 2019, Indian economy is estimated to have grown 7 percent, lower than 7.2 percent in 2017-18.

Moody’s said the announcement in Interim Budget 2019-20 on direct cash transfer programme for farmers and the middle-class tax relief measures will contribute a fiscal stimulus of about 0.45 per cent of GDP.

“These measures will support growth through consumption over the near term, albeit at a fiscal cost...

“In India, government spending announced ahead of elections this year will support near-term growth,” Moody’s said.

It said RBI is likely to be able to maintain their current Monetary Policy stance after some tightening last year.

The RBI cut its benchmark policy rate in February and changed the policy stance to “neutral” from “calibrated tightening”.

On banking sector, Moody’s said, although the overall strength of the system is improving, it remains a constraint on the economy.

In February 2019, the government provided further capital infusions to public sector banks. These measures, combined with the application of the Prompt Corrective Action framework, which requires timely recognition of bad loans, and resolution of bad loans through the Insolvency and Bankruptcy Code, are helping to address solvency and asset quality challenges.

(Source: The Statesman)

## How ‘Avocado toast’ inspired the design of a new pair of trainers

Avocado on toast, widely regarded as a quintessential millennial brunch staple, has inspired the design of a new pair of trainers.

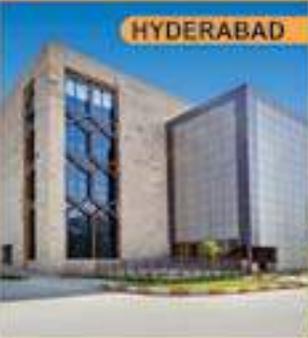


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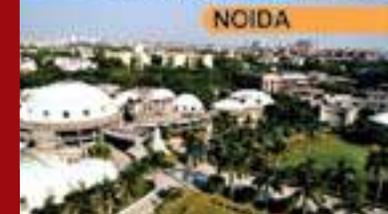
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Yes, you read that correctly. Those looking to add a bit of flavour to their fitness wardrobe can now do so, should they wish to purchase the “Avocado Toast” trainers from American sports brand Saucony.

Retailing at \$130 (£97), the recently launched trainers have been manufactured using “toast-ed” leather, “smashed avocado textured” suede, and a collar lining that’s been made to look as though it’s been speckled with red pepper flakes.

“Holy Saucomole!” the product description reads on the retailer’s website. “It’s everything you avo-wanted, even if the guac is extra.”

While the trainers are advertised as men’s footwear, Saucony included a link in the description to a chart that converts men’s sizes into women’s sizes, so as to avoid any avocado-lovers feeling neglected.

The sports brand also shared a photo of the trainers on Instagram on Tuesday 26 February, much to the excitement and incredulity of its consumers.

(Source: The Sunday Guardian)

**Compiled by:** Resource Centre (RCIP),  
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## Physical Laboratory Testing Services Provided by FDDI, NOIDA

S.No.	Test Description	Charges in `Rs.
<b>4. INSOLES</b>		
4.1	Tensile strength	600
4.2	Flexing index	700
4.3	Split tear strength	600
4.4	Water uptake/loss	500
4.5	Rub fastness Dry/Wet each	400
4.6	Surface water absorption	200
4.7	Laminar strength	700
4.8	Shear strength	600
4.9	Heel pin holding strength	600
4.10	Scuff/abrasion resistance	600
4.11	Peel strength	600
4.12	Longitudinal stiffness	700
4.13	Stitch tear of insole	600
4.14	Shrinkage	600
<b>5. TOE PUFFS &amp; STIFFENERS</b>		
5.1	Elongation at break	600
5.2	Change in area	600
5.3	Bondability	600
<b>6. ADHESIVES</b>		
6.1	Peel strength	900
6.2	Heat resistance	600
6.3	Shear strength	600
<b>7. HEELS</b>		
7.1	Heel pin holding strength	600
7.2	Resistance to Splitting	350
7.3	Strength of top piece attachment of heel	600
<b>8. SHANK</b>		
8.1	Rockwell hardness C	250
8.2	Longitudinal stiffness	700
8.3	Three point bending	600
<b>9. THREADS</b>		
9.1	Breaking Load and extension at break	600
9.2	Twist per unit length	300
9.3	Tenacity	250
9.4	Tex	250

FDDI ITC (NOIDA & CHENNAI) IS OFFERING FLAT 20% DISCOUNT ON ALL TESTING TO ALL THE CUSTOMERS TILL THIS FINANCIAL YEAR 2018-19

\* The said discount is not applicable on inter-lab testing & package fee

To be continued...