



THE MADHYA PRADESH TEXTILE MILLS ASSOCIATION

ANNUAL REPORT

2017 - 18

TEXTILE INDUSTRY IN MADHYA PRADESH

AT A GLANCE

	UNIT	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
TEXTILE MILLS							
Spinning Mills (Non-SSI)	No.	44	43	43	43	43	44
Composite Mills (Non-SSI)	No.	15	16	16	16	16	16
Spinning Mills (SSI)	No.	5	5	6	6	6	6
Exclusive Weaving Mills (Non-SSI)	No.	4	4	4	5	5	5
100% Export Oriented Units (EOUs)	No.	1	1	1	1	1	-
Powerloom Units	No.	49087	49968	53043	53043	8344	8344
Man-made Fibre Units	No.	1	1	1	1	1	1
Man-made Filament Yarn Units	No.	2	2	2	2	2	-
CAPACITY INSTALLED							
Spindles (Non-SSI+SSI)	'000 No.	2051	2254	2300	2478	2478	2478
Rotors (Non-SSI+SSI)	No.	30528	31272	31488	33888	33888	33888
Looms (Composite & Exclusive Weaving Units)	No.	3897	4033	4033	4469	4469	4469
Knitting Machines	No.	133	141	141	159	159	159
Power-looms	No.	39979	39979	39979	39979	39979	39979
Man-made Fibre	Mn.Kg.	155.13	155.13	155.13	155.13	155.13	155.13
Man-made Filament	Mn.Kg.	13.50	13.50	13.50	13.50	13.50	13.50
WORKERS ON ROLL							
Spinning Mills & Composite Mills (Non-SSI)	No.	59202	62760	63023	67211	67164	67321
Spinning Mills (SSI)	No.	133	310	342	340	340	340
Exclusive Weaving Mills (Non-SSI)	No.	420	420	420	463	463	463
EOUs	No.	358	358	358	358	358	
Powerlooms	No.	312133	316697	333562	333563		
PRODUCTION OF FIBRE							
Raw Cotton (October-September)	Lakh bales	19.00	19.00	19.00	18.00	20.50	20.50
Man-made Fibre	'000 Kg.	151528	155011	153671	127730	150199	150414
COTTON CONSUMPTION BY MILLS							
Non-SSI	'000 Kg.	346483	385595	430226	445443	437049	
SSI	'000 Kg.	1941	2879	3294	3410	2855	
PRODUCTION OF YARN							
Cotton Yarn	'000 Kg.	264535	299696	330074	348591	326350	
Blended Yarn	'000 Kg.	62768	75002	76281	78724	86313	
100% Non-Cotton Yarn	'000 Kg.	25803	26369	25999	31554	36936	
Total	'000 Kg.	353106	401067	432354	458869	449599	
FABRIC PRODUCTION (MILL SECTOR + WVG.)							
Cotton	'000 sq.mtr	119231	117412	164843	182155	167818	
Blended	'000 sq.mtr	32796	43909	62175	49285	56304	
100% Non-Cotton	'000 sq.mtr	293	362	1513	1611	1467	
Total	'000 sq.mtr	152320	161683	228531	233051	225589	
EXPORTS (As reported by Mills)							
Viscose Staple Fibre	Lakh Rs.	44243	44461	45555	42083	56536	48370
Yarn	Lakh Rs.	196773	232911	194939	245134	202248	216921
Fabric	Lakh Rs.	60328	63160	41545	38309	39665	64875
Knitted Garments / Made-ups	Lakh Rs.	22497	34170	44059	66594	62825	62811
Cotton / Cotton Waste	Lakh Rs.	297	439	78	208	1320	117
Total	Lakh Rs.	324138	375141	326176	392328	362594	393094

(Information except Exports from Website of Office of Textile Commissioner)

The Madhya Pradesh Textile Mills Association

[Incorporated under M.P. Non- Trading Corporations Act, 1962]



ANNUAL REPORT 2017-18

OFFICE BEARERS :

Chairman	-	Shri Akhilesh Rathi
Vice Chairman	-	Shri Shreyaskar Chaudhary
Deputy Chairman	-	Shri Suresh Maheshwari (Left on 16.07.2018)
Deputy Chairman	-	Shri Subhash Chand Jain

Secretary - Shri M. C . Rawat

Registered Office :

Jall Sabhagraha, 56/1, SouthTukoganj, Indore – 452 001

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THE MADHYA PRADESH TEXTILE MILLS ASSOCIATION

Its Origin

This Association was established in 1932 as Indore Mill Owners' Association by Shri Rao Raja Sir Seth Hukamchand. At the time of its establishment, the Association had seven composite textile mills from Indore as members. After the merger of various States of Gwalior, Indore and Malwa in May, 1948, the name of the Association was changed from 6th August, 1948 as Madhya Bharat Mill owners' Association and the mills in the region were invited to join. With the formation of the State of Madhya Pradesh on 1st November, 1956 integrating, among others, the State of Madhya Bharat, the name of the Association was changed to reflect its regional character and Madhya Pradesh Mill owners' Association came into being from 1st January, 1957. It was registered under the Madhya Pradesh Non-Trading Corporations Act, 1962 on 1st June, 1966 after being renamed as The Madhya Pradesh Textile Mills' Association w.e.f. 1st January, 1966.

The Association is committed to the growth of Textile Industry in the State. It also acts as an effective link between the Textile Industry in the State and the Central / State Governments, Confederation of Indian Textile Industry, and various Chambers, Associations and Organizations.

THE MADHYA PRADESH TEXTILE MILLS ASSOCIATION

Committed to growth of Textile Industry in the State

Objects

- * To protect and promote interests of textile industry.
- * To take all steps for promoting, protecting, supporting, encouraging, opposing, or seeking modifications in legislative and other measures affecting the interests of the textile industry.
- * To create and encourage friendly feelings and unanimity amongst the member mills on all subjects connected with their common interest,
- * To afford facilities for ascertaining the views of persons engaged in textile industry and for the communication and interchange of views between the members interest.
- * To collect, classify, compile and circulate Policy related circulars, press releases and all relevant information of use and interest to textile industry.

The Madhya Pradesh Textile Mills Association

LIVE MEMBER MILLS

- Anant Spinning Mills , Mandideep – 462 046
- Bhaskar Industries Pvt. Ltd., Mandideep – 462 046
- Candor Textiles Pvt. Ltd., Indore – 452 020
- Century Denim, Satrati – 451 660
- Century Yarn, Satrati – 451 660
- Deepak Spinners Ltd., Pagara – 473 001
- Dhar Textile Mills Ltd., Pithampur – 454 774
- Grasim Industries Limited
 - Staple Fibre Division, Birlagram, Nagda – 456 331
 - Vikram Woollens, Malanpur, Bhind - 477 117
- Hind Syntex Limited, Pilukhedi - 465 667
- Jaideep India Pvt. Ltd., Pithampur - 454 774
- Kamal Cotspin Private Ltd. , Burhanpur - 450 331
- Kohinoor Elastics Pvt. Ltd., Indore-452 015.
- Madhumilan Industries Ltd., (Spinning Divn.), Talawada - 465 674
- Mahima Purespun, Pithampur - 454 774
- Maral Overseas Ltd., Maral Sarovar – 451 660
- Mohini Fibers Pvt. Ltd., Pithampur - 454 774.
- Nahar Spinning Mills Ltd., Mandideep - 464 993
- National Textile Corporation Ltd., Indore
 - Burhanpur Tapti Mills , Burhanpur – 450 331
 - New Bhopal Textile Mills , Bhopal – 462 010
- PBM Polytex Ltd., Boregaon - 480 106
- Pratibha Syntex Ltd., Pithampur - 454 774
- Prem Textiles (International) Pvt. Ltd., Indore – 452 015
- Ramesh Textiles India Pvt. Ltd., Indore – 452 015
- Raymond Limited., Kailash Nagar - 480 106
- Ritspin Synthetics Ltd., Pithampur - 454 774
- Sagar Manufacturers Pvt. Ltd., Tamot – 464 993.
- Satyam Spinners Pvt.Ltd., Sendhwa - 451 666
- SEL Manufacturing Co. Ltd., Mehatwara – 466 118
- Sheshadri Industries Ltd., Rajna – 480 340
- S. Kumars Ltd., Dewas- 455 001
- Spentex Industries Ltd., Pithampur - 454 774
- S R F Limited, Malanpur - 477 116
- STI India Ltd., Rau – 453 332
- Swastik Spintex Ltd , Rajoda – 453 562
- Texpert International, Dewas – 455 001
- TDB Spinners Pvt. Ltd., Indore-452001.
- Vardhman Fabrics, Pilikarar, Talpura, Budhni – 466 441
- Vardhman Yarns, Satlapur , Mandideep – 462 046
- Vippy Spinpro Ltd., Dewas - 455 001
- Wearit Global Ltd., Bheelgaon – 451 228

THE YEAR UNDER REPORT

MEMBERSHIP :

The Association has forty one Mills as its live Members. During the year TDB Spinners Pvt. Ltd., were enrolled as Member. Services to CT Cotton Yarn Ltd., Mid India International Ltd , Jyoti Overseas Ltd., Chhabra Spinners Pvt. Ltd., Harshit Textiles Pvt. Ltd., Kokila Texpro Pvt. Ltd., Chamunda Standard Mills, S. Kumars (Nationwide) Ltd., Agrawal Indotex Ltd., and Parasrampur International have been kept under suspension under Articles 4.11 of the Articles of Association.

OFFICE BEARERS :

The Annual General Meeting of the Association for the year 2016-17 was held on 30th December, 2017 and the following Office Bearers were elected unanimously for the term 2017-18 :

*	Shri Akhilesh Rathi, Director, Bhaskar Industries Pvt.Ltd., Mandideep .	Chairman
*	Shri Shreyaskar Chaudhary, Managing Director, Pratibha Syntex Ltd., Pithampur.	Vice Chairman
*	Shri Suresh Maheshwari, President, Maral Overseas Ltd., Maral Sarovar.	Deputy Chairman (Left on 16.07.2018)
*	Shri Subhash Chand Jain, Director, Prem Textiles(International) Pvt.Ltd., Indore.	Deputy Chairman

MANAGING COMMITTEE :

As per Article 6.4 of the Articles of Association, the new Managing Committee was constituted at the Annual General Meeting held on 30th December, 2017. Certain nominations were changed by Member Mills later and some new Members were enrolled. The present nominees on the Managing Committee are as under :-

Name of Member-Mill	Principal Representative	Alternate Representative
Anant Spinning Mills	Shri S. Pal	Shri R. S. Yadav
Bhaskar Industries Pvt.Ltd.	Shri Akhilesh Rath	Shri Sandeep Baheti
Candor Textiles Pvt. Ltd.	Shri Suryansh Somani	Shri Ashutosh Khandelwal
Century Denim Division	Shri A.K. Singh	Shri Anil Dubey
Century Yarn Division	Shri A.K. Singh	Shri Anil Dubey
Deepak spinners Ltd.	Shri S.B. Sharda	Shri R.O. Sharma
Dhar Textile Mills Ltd.	Shri Pankaj Jajoo	Shri Laxminarayan Kasera
Grasim Industries Ltd (SFD)	Shri Naveen Mittal	Shri Ravindra Chaudhary
Hind Syntex Ltd	Shri Hemant Ambekar	Shri Manjeet Singh
Jaideep India Pvt. Ltd.	Shri N. K. Agrawal	Shri Vinay Agrawal
Kamal Cotspin Pvt. Ltd.	Shri Ankit Lath	Shri Kamal Lath
Kohinoor Elastics Pvt.Ltd.	Shri Rajendra Matlani	Shri Rupesh Mehta
Madhumilan Industries Ltd.	Shri A.K. Chaudhary	Shri Kanak Jain
Mahima Purespun	Shri Rohit Doshi	Shri Ashish Doshi
Maral Overseas Ltd.	Shri D.K.Mittal	Shri Rajkumar Gite
Mohini Fibers Pvt. Ltd.	Shri Sarvapriya Bansal	Shri Snehakar Bansal
Nahar Spinning Mills Ltd.	Shri D. K. Mundra	Shri Surender Bhatt
National Textile Corpn. Ltd.	Shri Manoj Kumar,K.G	Shri Sandeep Sharma or Shri Gajendra Shukla
PBM Polytex Ltd.	Shri K. K. Patodia	Shri Vikas Patodia
Pratibha Syntex Ltd.	Shri Shreyaskar Chaudhary	Shri Ashok Jain
Prem Textiles (Int) Pvt. Ltd.	Shri S. C. Jain	Shri Saurabh Jain
Ramesh Textile India Pvt. Ltd.	Shri Ramesh Samaria	Shri Sanjay Samaria
Raymond Limited	Shri Vinod Padmanabhan	Shri Ashish Dubey
Ritspin Synthetics Ltd.	Shri Manish Kumar	Shri N. S. Yadav
Sagar Manufacturers Pvt.Ltd.	Shri Siddarth Agrawal	Shri V. K. Jain
Satyam Spinners Pvt. Ltd.	Shri Chetan Kumar Agrawal	Shri P. K. Roul
SEL Manufacturing Co.Ltd.	Shri Anchal Kumar	
Sheshadri Industries Ltd.	Shri J. K. Agarwal	Shri Shantanu Dey
S. Kumars Ltd.	Shri R. K. Mehta	Shri G. D. Bansal
Spentex Industries Ltd.	Shri C.B. Kataria	Shri Manish Gupta
SRF Ltd.	Shri Rajeev Narang	Shri Mantu Kumar
STI India Ltd.	Shri Mukesh Maheshwari	
Swastik Spintex Ltd.	Shri V. K. Rath	Shri G. D. Rath
TDB Spinners Pvt. Ltd.,	Shri Akhilesh Gupta	
Texpert International	Shri N. S. Nirban	Shri R. C. Gupta
Vardhman Yarns	Shri S. Pal	Shri Praveen Dhingra
Vardhman Fabrics	Shri T. C. Gupta	Shri Arvind Gupta
Vikram Woollens	Shri Man Mohan Singh	Shri Santosh Kumar Singh
Vippy Spinpro Ltd.	Shri Piyush K. Mutha	Shri Ashwani Kamra
Wearit Global Ltd.	Shri Randheer Rana	Shri Sandeep Agarwal

COMMITTEE MEETINGS :

During the year 2017-18, four Managing Committee Meetings were held. The Minutes of the Meetings were circulated and timely action was taken to give effect to the decisions of the Committee.

ANNUAL SUBSCRIPTION :

At the Managing Committee Meeting held on 30th March, 2018 the Annual Subscription rates for 2018-19 were revised as under:-

1. Annual Subscription based on capacity:	
Spindles installed	Rs. 0.70 each
Rotors installed	3.50 “
Shuttle Looms installed	30.00 “
Shuttle less Looms installed	85.00 “
Knitting Machines installed.	180.00 “
Stenter Machines installed	1750.00 “
Calculation of subscription as per The rates indicated at 1 above.	
2. Total subscription payable subject to:	
MINIMUM	12,500.00 p.a
MAXIMUM	45,000.00 “
3. Textile Units under construction	10,000.00 “
4. Staple Fibre Division (Grasim)	50,000.00 “
5. National Textile Corporation	45,000.00 “
6. Group with more than two Units.	90,000.00 “

New Entrants have to pay one time Entrance Fee of Rs. 1,000.00.

MEMBERSHIP OF THE OTHER INDUSTRY FORUMS :

The Association continued to be the Member of the following Bodies :

- Confederation of Indian Textile Industry (CITI), New Delhi.
- Textile Sector Skill Council (TSSC), New Delhi.
- Federation of Indian Chambers of Commerce & Industry (FICCI), New Delhi.
- All India Organization of Employers (AIOE), New Delhi.
- Associated Chambers of Commerce & Industry of India (ASSOCHAM), New Delhi.
- Electricity Consumers' Society (ECS), Indore.
- Federation of M.P. Chambers of Commerce & Industry (FMPCCI), Bhopal.
- Indore Management Association (IMA), Indore.

REPRESENTATION AT ALL INDIA/ STATE LEVEL BODIES:

Our representation (direct/indirect) at various Bodies during the year 2017-18 has been as under:-

Sr.No.	Name of the Body	Name of the Representative
•	Confederation of Indian Textile Industry	
	Principal Representative	- Shri Akhilesh Rathi, Chairman.
	Alternate Representative	- Shri Manish Kumar, Ritspin Synthetics Ltd.
•	Federation of Indian Chambers of Commerce & Industry	- Chairman, MPTMA
•	All India Organisation of Employers	- Shri Akhilesh Rathi, Chairman.
•	Textile Sector Skill Council	- Shri Akhilesh Rathi, Chairman.
•	M. P. Labour Advisory Board	- Shri Suresh Maheshwari, Deputy Chairman.
•	M. P. Labour Welfare Board	- Shri S. Pal, Vardhman Group.
•	M. P. Minimum Wage Advisory Board	- Shri Suresh Maheshwari, Deputy Chairman
•	M.P.State Advisory Board for Contract Labour	- Shri S. Pal, Vardhman Group
•	Regional Advisory Committee of ESI	- Shri Suresh Maheshwari, Deputy Chairman
•	Associated Chamber of Commerce & Industry of India	- Chairman, MPTMA
•	Federation of MP Chambers of Commerce & Industry	- Shri Akhilesh Rathi, Chairman.
•	Provident Fund Regional Advisory Committee, Indore	- Shri M. C. Rawat, Secretary.
•	Electricity Consumers' Society:	- Shri Laxminarayan Kasera, Dhar Textile Mills.
	Executive Committee	- Shri M. C. Rawat, Secretary
•	Indore Management Association	- Shri Laxminarayan Kasera, Dhar Textile Mills.
		- Shri M. C. Rawat, Secretary
•	Indore Railway Station Advisory Committee	- Shri Laxminarayan Kasera, Dhar Textile Mills.
•	Shri Ahilyamata Gaushala Jeev Daya Mandal/Trust.	- Shri Laxminarayan Kasera, Dhar Textile Mills.
		- Shri M. C. Rawat, Secretary

REPRESENTATION AT COMMITTEES :

- The State Government had nominated Shri S. P. Oswal, Chairman, Vardhman Group and Shri S. K. Chaudhary, Chairman, Pratibha Syntex Ltd., on State Level Industry Advisory Committee.

REPRESENTATIONS TO THE GOVERNMENTS :

During the year, the Association submitted a number of Representations to the Central/State Governments and other authorities on various subjects, which have been dealt in relevant parts of this Report. However, the following representations need special mention :

1) REPRESENTATION TO HON'BLE PRIME MINISTER :-

The Association submitted a Representation to the Hon'ble Prime Minister of India on 25th October, 2017 with a request to increase Duty Draw-back and Rebate of State Levies (ROSL) Rates in view of introduction of Goods and Services Tax. The Duty Draw-back and ROSL rates put together, were around 11% before implementation of GST have come down to 3%. To protect interest of Apparel Industries, which is 2nd largest employment provider and is mainly in the MSME Sector. This industry is facing global competition not only on front of input costs and productivity in the Country but also on account of import duty benefits available to competing nations, their low man-power cost and the Government support in terms of incentives, Import Duty relaxation on inputs, etc. Moreover, the embedded taxes in the Country like Electricity duty, Property Tax, Lease Rent, Mandi Tax, tax on construction, Stamp Duty, taxes on petroleum products, etc. are payable even by these units engaged in export from our Country. We, therefore, requested that pre-GST rates of Draw-back and ROSL may be restored with effect from 1st October, 2017. Similar representations were also sent to the Hon'ble Finance Minister, Minister of Commerce and Industry, etc.

2) REPRESENTATION TO HON'BLE CHIEF MINISTER :

The State Government has made available a plot of land at Pithampur for establishment of an ESI Hospital, but the construction and other activities have not yet started. Pithampur is a major industrial town and large number of large, medium and small industrial establishments are having their production utilities in this town. The number of workers covered under ESI Scheme employed in these establishments are provided treatment for minor ailments and industrial injuries at ESI Dispensary at Pithampur and are referred to ESI Hospital at Indore. We have, therefore, requested on 13th October, 2017, the Hon'ble Chief Minister to take up the issue of early start of ESI Hospital at Pithampur with the Union Ministry of Labour & Employment/ESI Authorities at New Delhi.

3) REPRESENTATION TO STATE GOVERNMENT FOR COTTON COLLABORATIVE PROJECTS:-

(1) On 29th August, 2017, we have sent a proposal to Shri Gauri Shankar Bisen, Hon'ble Minister for Kisan Kalyan & Krishi Vikas of the State for Cotton Collaborative Projects in Chhindwara, Ratlam and Dhar Districts of the State. The State of Rajasthan with the collaboration of CITI Cotton Development & Research Association and Bayer Corp Science has implemented similar project, whereby the yield of cotton in the State, which was 415 kgs. of lint per hectare has gone up to 696 kgs. of the lint per hectare during a period of last eight years and the cotton production in the State, which was only 9.00 lakh bales in 2008-09 has crossed 18.00 lakh bales in 2016-17. We have requested the Hon'ble Minister to issue appropriate instructions to State Directorate of Agriculture, Jawaharlal Nehru Krishi Vishwa Vidhyalaya, Jabalpur and Krishi Vikas Kendras working in the Districts of Chhindwara, Ratlam and Dhar to get involved in the Cotton Collaborative Project to boost production and productivity of cotton in the State.

(2) The Association has sent again a proposal on 5th April, 2018 to the Principal Secretary, Farmers Welfare & Agriculture Development of the State for taking up Cotton Collaborative Project in Ratlam, Jhabua and Dhar Districts of the State on the lines on such projects being undertaken by CITI, CDRA in collaboration with other agencies in Rajasthan/Maharashtra for last 10 years. Such a project will help in improving cotton yield, production of extra-long staple fibre cotton, etc.

4) PRE-BUDGET MEMORANDUM TO CENTRAL GOVERNMENT :

On 3rd November, 2017 the Association submitted its suggestions for incorporation in Pre- Budget proposals for the year 2018-19 to be submitted by Confederation of Indian Textile Industry, Federation of Chambers of Commerce and Industry and ASSOCHAM, which are as under:-

- Reduction of GST on Man Made Fiber from 18% to 12%, so as to fully set off the tax paid at Yarn stage.
- Exemption from payment of GST on export of goods.
- Allow setoff of IGST paid on imports for utilization of MEIS licenses.
- Extend period of payment under Section 16 (2) of CGST Act in case of capital goods for availing input tax credit.
- Import duty of apparel grade wool be withdrawn.
- In view of heavy increase in spinning capacity as compared to availability of Handlooms, the Hank Yarn Obligation be reduced from the present 40% to at least 20%.
- Sufficient provision be made in the Budget for 2018-19 to take care of old cases and the current dues under Technology Up-gradation Fund Scheme.
- In view of lower interest rates in competing Countries, interest equalization of 3% should be provided in respect of yarn export.
- 2% MEIS benefits should be extended to Spinning Sector at par with other textile products, which will boost exports of yarn and liquidate high yarn inventory with the mills.
- Rate of Corporate Tax should be reduced to 25% in all cases without any surcharge to make it comparable with other developing Countries.

PRESENTATIONS ON GOODS AND SERVICES TAX :-

(1) We invited Shri Vineet Chopra, LLM, FCS, ACMA, PGDBA (Fin.), Associate Partner, Singhania & Co. Solicitors & Advocates, International Legal Consultants, Mumbai and also Chairman of Indore-Dewas Chapter of Institute of Cost & Management Accountants of India to make a presentation on Procedural and Practical Aspects of GST with regard to Invoicing, Input Tax Credit, Returns & Transition for Textile Industry. Shri Chopra highlighted in brief the background in which the Goods & Services Law has been enacted with Constitutional Amendments and merging various Central and State Taxes. He explained in detail the various elements, which should be included in the invoices to be prepared for

Inter-State, Intra-State and Export Sales. He went on to explain the meaning of inputs, which include various goods including capital goods and services used or intended to be used by the supplier in the course of business. Utilisation in respect of CGST, SGST and IGST credits was explained in detail. The procedure to be adopted for transition in respect of stocks on 30th June, 2017 (under Excise and VAT system) to 1st July, 2017 (under GST system) was deliberated in detail. It was explained that there is no system of refund under GST, except in case of exports. The various Returns to be filed under the Act were also covered in the presentation.

Around 35 Executives from various Member Mills participated in the programme. The queries raised by various participants were also answered to their satisfaction by Shri Chopra.

At the end, Shri Akhilesh Rath, Chairman, expressed gratitude and thanked Shri Chopra for making such a knowledgeable and meaningful presentation.

(2) Jointly with the Regional Office of Textile Commissioner, Indore, an awareness Programme on Goods & Services Tax Act was organized on 21st July, 2017 at Jall Sabhagraha, Indore. At the programme, the various speakers from CGST & Central Excise, Indore, were invited, which included:-

- Shri Afaz Ahmad Giri, Asstt. Commissioner.
- Shri Surendra Singh, Superintendent (Adjudication).
- Shri K. Nair, Superintendent (Audit).

The programme was attended by more than 50 delegates from various textile mills, power loom establishments and readymade garment manufactures. The various queries regarding rates of GST, input tax credit, payment of GST under reverse charge, maintenance of records, etc., were answered.

LECTURE ON SUSTAINABLE FIBRES:-

Our Association jointly with Textile Association (India) M.P. Unit organized on 8th March, 2018 a Lecture on "Sustainable Fibres for the Future" by Dr. N.N. Mahapatra, President, Colorant Limited and also Vice Chairman of Textile Association (India). Dr. Mahapatra is having more than 33 year experience in Textile Industry in India and abroad. He has contributed more than 280 Technical Papers and has written 6 Books on Textile Processing, etc.

Dr. Mahapatra explained the demand for fibers is increasing. Competition over resource is on increase, while the availability are finite and also vulnerable to degradation and depletion. The land available for growing cotton is decreasing year by year, as we have to provide housing and other infrastructure for the growing population. Same is the story about polyester, acrylic nylon and other synthetic fibres, because of depleting oil reserves. It is a big question, how does the textile sector respond to these challenges? There has been an increasing/growing amount of new fibres in fashion lately, that are mostly 100% organic, like Bamboos, Soyabeen, Coconut, Banana, Groundnut, Milk and Pineapple fibres. All these fibres are having inherent properties, which can partially replace wool, silk and linen. Most of these new materials are very economical, since these can be reproduced more easily than cotton, as these are by-products of other Industries.

Dr. Mahapatra was of the view that Madhya Pradesh has many cotton spinning mills but no one is manufacturing Dyed Cotton Melange. There is also scope for a polyester recycle plant. A Textile Research Institute like ATIRA, BTRA, SITRA, NITRA is needed in the State.

SEMINAR ON UNION BUDGET 2018-19 :-

Our Association jointly with Textile Association (India), M.P. Unit. Spinners Club and Madhya Pradesh Mill Stores Merchants Association organized a Talk on Union Budget 2018-19 on 10th February, 2018. The speakers included Economist, Dr. Kamlesh Bhandari, CA Shri Sunil Jain and CS Shri Ajit Jain. Dr. Kamlesh Bhandari explained the various provisions of the Budget with specific reference to welfare schemes of the Government of India. CA Shri Sunil Jain explained the various provisions of Income Tax and Goods and Services Tax. He analyzed in details the various changes in the Income Tax Law. CS Shri Ajit Jain talked about the impact of Budget provisions on the Capital Market.

The Program was attended by about 50 persons including Shri Laxminarayan Kasera, Shri Sarvapriya Bansal, Shri Kailash Agarwal, President, TAI MP Unit and many others.

MEETING WITH COMMISSIONER OF INDUSTRIES :

Our Chairman, Shri Akhilesh Rath, had a meeting with Shri V.L. Kantha Rao, Principal Secretary, MSME and Industries Commissioner, Government of Madhya Pradesh, whereat he discussed various clarifications required under Madhya Pradesh State Industrial Land & Building Management Rules, 2015 and submitted a note on 15th October, 2017. The existing Rules provides for a minimum of 500 sq. mtrs. of land for setting up an industry, but the existing Policy for transfer up-to 50% of land of closed/sick units provides for sale/transfer into one or more pieces of minimum 1000 sq. mtrs. each, which is contradictory to the Rules. It was, therefore, requested to set up the minimum limit of 500 sq. mtrs., so that small and medium industries can take benefit of the Policy.

AWARDS WON BY MEMBERS

1. At a function held at New Delhi on 18th December, 2017, the Apparel Export Promotion Council (AEPIC) bestowed Gold Trophy for Highest Global Export in 2016-17 in Apparel Export Category above Rs.100 crore and upto Rs.500 crore to Pratibha Syntex Limited. The Company also received award for Environment Sustainability. Both the awards were received by Shri Shreyaskar Chaudhary, Managing Director of the Company at the hands of Smt. Smriti Zubin Irani, Hon'ble Textile Minister and Shri Ajay Tamta, Hon'ble Minister of State for Textiles.
2. At a function held on 14th December, 2017 by Cotton Textiles Export Promotion Council (TEXPROCIL), Vardhman Textiles was awarded Silver Trophy in the category of Highest Global Exports. The Company was also awarded five Silver Trophies in various categories for export of yarn and fabrics. Nahar Spinning Mills were awarded Gold Trophy in the category of export of above Rs. 300 crore (yarn counts 50's and below).
3. The following of our Members got Export Awards at function of the Synthetic & Rayon Textile Export Promotion Council (SRTEPC) held on 27th January, 2018 :-
 - Grasim Industries Limited : Gold Trophy for Viscose Staple Fibre.
 - Vardhman Textiles : Gold Trophy for Blended Yarn.
 - Wearit Global Limited : Silver Trophy as Merchant Exporter.

REGIONAL OFFICE OF TEXTILE COMMISSIONER :-

The Regional Office of Textile Commissioner with jurisdiction of the States of Madhya Pradesh and Chattisgarh is functioning from Corporate Block, RMG Complex, Pardeshipura, Indore.

The local Office of Regional Textile Commissioner organized a Mega Seminar on Government Schemes for the Development of Textile Industry in Madhya Pradesh at Indore on 5th March, 2018. Speaking at a Mega Seminar on Development of Textile Industry in Madhya Pradesh, Shri Paras Jain, Energy Minister, Government of Madhya Pradesh stated that Government will extend full support to textile industry by supplying adequate energy and subsidies. He said that we have increased electricity supply to power looms from the present 25 HP to 150 HP.

Speaking at event, the industrialists suggested that like China and Thailand the textile mills should be setup in cotton producing areas and Banks should provide hassle free loans to the industry.

AUDITORS :-

M/s. R. D. Asawa & Co., Chartered Accountants, were appointed as Auditors for the financial year 2017-18.

MONTHLY NEWSLETTER :-

M.P.TEXTILE NEWSLETTER, monthly newsletter of the Association is being published regularly since September, 1993 and circulated to Ministers, Central and State Government Officials, various Industry Chambers, Associations, Members of the Association, etc.

WEBSITE (www.mptma.in)

The website of the Association was made operational from 20th June, 2017.

DIRECTORY OF MEMBER MILLS :-

The DIRECTORY of Member-Mills was published and circulated.

ACKNOWLEDGEMENTS : -

Association wishes to express its gratitude to the Hon'ble Union Textile Minister, Chief Minister, other Cabinet Ministers and Senior Officials in the various Ministries/Departments of the Centre and State for their co-operation and guidance. The Association is also grateful to the Confederation of Indian Textile Industry, Federation of Indian Chamber of Commerce & Industry, The Associated Chambers of Commerce and Industry of India, All India Organisation of Employers, Electricity Consumers' Society, other Industry Associations and organizations for their continued support in resolving problems of the Industry. Association is also thankful to the print media for highlighting problems/views of the Textile Industry on various subjects from time to time.

RAW MATERIAL

Textile Industry consumes a diverse range of fibres, which include Cotton, Man-made fibres, Wool, Silk, other miscellaneous fibres and filaments. The consumption of fibres other than natural fibres is on the rise. The ratio of use of cotton is roughly 70% and pre-dominantly the industry remains cotton based. India currently has an annual production of over 6 million tons of cotton, 22 million kilos of silk, 44 million kilos of wool and 2.63 million tons of man-made fibre/filaments, which represent 25% of World production in cotton, 14% in silk, 4% in wool and 5% in man-made fibres.

NATIONAL FIBRE SCENARIO :-

Cotton plays a vital role in the growth of manufacturing activity, exports and employment in our Country. Close to 65% of textile production and over 75% of textile exports from the Country are linked to cotton. It is a major raw material for the domestic textile industry and provides sustenance to millions of farmers and contributes significantly to Country's export earnings. The consumption pattern of cotton and other fibres from 2013-14 to 2017-18 is given below :-

Quantity in Million Kgs.

Fibre	2013-14		2014-15		2015-16		2016-17		2017-18	
	Qty.	%	Qty.	%	Qty.	%	Qty.	%	Qty.	%
Cotton	4866	70.12	5087	70.09	5130	72.49	4975	73.16	4689	71.17
Polyester Staple Fibre	691	9.96	782	10.90	806	11.42	780	11.46	721	10.94
Viscose Staple Fibre	278	4.00	258	3.60	224	3.08	244	3.59	278	4.22
Acrylic Staple Fibre	113	1.63	101	1.40	113	1.55	98	1.44	104	1.58
Polypropylene Staple Fibre	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Polyester Filament Yarn	773	11.15	715	9.96	575	8.07	460	6.78	550	8.35
Viscose Filament Yarn	53	0.76	53	0.74	51	0.72	47	0.69	52	0.79
Nylon Filament Yarn	24	0.35	33	0.46	38	0.54	43	0.63	39	0.59
Polypropylene Filament Yarn	12	0.17	11	0.15	11	0.15	10	0.14	11	0.17
Others (Silk, Wool, etc.)	129	1.86	136	1.90	140	1.98	144	2.11	144	2.19
Total	6939	100.00	7176	100.00	7088	100.00	6801	100.00	6588	100.00

It would be observed that consumption of cotton and other fibres decreased in 2017-18 mainly due to reduction in exports of yarn to China and other Countries.

COTTON SCENARIO :-

The cotton sector in India has clocked an envious growth and has carved a niche for itself in the international market. India has the largest acreage under cotton, which is about 43% of the World total cotton acreage. Our Country is the largest producer (about 25% global cotton production) second largest exporter next only to USA and the second largest consumer (22% of global consumption) of cotton next only to China in the World. India is the only Country, which produces all four species of cotton (*Gossypium Arboreum*, *G. Herbaceum*, *G. Barbadense* and *G. Hirsutum*). Cotton constitutes about 59% of the raw material basket of the textile industry in the Country.

AREA UNDER COTTON, PRODUCTION AND YIELD :-

The year-wise Area under cotton, Production Consumption, Import, Export and Yield as per Cotton Advisory Board for the years 2010-11 to 2017-18 are given in the following table :-

Cotton year (Oct to Sep)	Area (Lakh Hect.)	Production (Lakh Bales)	Yield (Kgs./Hec)	Cotton Consumption by Mills (Lakh Bales)		Import (Lakh Bales)	Export (Lakh Bales)
				Non SSI	SSI		
2010-11	112.35	339.00	517	221.77	24.46	2.45	76.50
2011-12	121.78	353.00	496	217.68	22.10	4.54	128.81
2012-13	119.78	365.00	518	250.14	23.02	14.59	101.43
2013-14	119.60	398.00	566	266.00	24.88	11.51	116.96
2014-15	128.46	386.00	511	278.55	26.28	14.39	57.72
2015-16	122.92	332.00	459	270.20	27.08	22.79	69.07
2016-17	108.26	345.00	541	262.70	26.21	30.94	58.21
2017-18(E)	124.44	370.00	505	268.00	27.00	15.00	70.00

Productivity of cotton in India is lowest. As against the World average productivity of over 750 kgs. per hectare, the productivity of cotton in India is around 520 kgs per hectare. Unfortunately, the yield is stagnating for the last several years. It is now crucial for India to increase productivity, which is the only way our Country can achieve the target of doubling the farmers income by 2022.

The Cotton Association of India has reduced its estimates of cotton production for 2017-18 to 365.00 lakh bales (15th June, 2018).

COTTON YIELD :

Production and productivity of cotton of India have made remarkable strides during the last decade. Gujarat, Maharashtra, Andhra Pradesh and Madhya Pradesh have been in fore-front of cotton production in the Country. The productivity in major cotton producing States and at all India level is shown in the following table :-

Year	Punjab	Gujarat	Maharashtra	Andhra Pradesh	Kgs. Per Hectare	
					Madhya Pradesh	All India
2010-11	593	686	379	538	463	513
2011-12	607	700	313	542	433	512
2012-13	744	633	324	595	531	518
2013-14	800	837	341	555	628	566
2014-15	526	686	324	549*	563	511
2015-16	313	562	307	606	543	457
2016-17	537	672	396	686	582	541
2017-18(E)	673	674	344	560	578	505

It would be observed that India recorded highest yield of 566 Kgs. in 2013-14. During the years 2015-16 to 2017-18 yield and cotton production in Punjab, Gujarat and Maharashtra were affected due to drought and attack by white fly.

COTTON ADVISORY BOARD :

The Cotton Advisory Board was reconstituted on 28th January, 2015 for a period of two years. Its tenure has been extended till reconstitution of the new Board. Its composition included Textile Commissioner as Chairman and 18 Members from Central Government, Cotton Trade, and Cotton Research Institutions. Cotton Consultative Committee consists of Textile Commissioner as Chairman and 39 Members from Central Government, State Governments, Textile Industry, Cotton Trade, Ginning and Pressing Sector, Cotton Seed Manufacturers, etc.

The last Meeting of the Board was held on 16th June, 2018, whereat Cotton Balance Sheet for 2016-17 and 2017-18 were drawn, comparative Cotton Balance Sheet for last four years is as under :-

Supply :	2014-15	2015-16		2016-17		2017-18	
	Lakh Bales	Lakh Bales	'000 Tons	Lakh Bales	'000 Tons	Lakh Bales	'000 Tons
Opening Stock	33.00	66.00	1122.00	36.44	619.48	43.76	743.92
Production	386.00	332.00	5644.00	345.00	5865.00	370.00	6290.00
Imports	14.39	22.79	387.43	30.94	525.98	15.00	255.00
Total	433.39	420.79	7153.43	412.38	7010.46	428.76	7288.92
Demand :							
Consumption : Mills	278.06	270.20	4593.40	262.70	4465.90	268.00	4556.00
SSI Units	26.38	27.08	460.36	26.21	445.57	27.00	459.00
Non Textile Consumption	5.00	18.00	306.00	21.50	365.50	20.50	348.50
Exports	57.72	69.07	1174.19	58.21	989.57	70.00	1190.00
Total	367.16	384.35	6533.95	368.62	6266.54	385.50	6553.50
Closing Stock	66.23	36.44	619.48	43.76	743.92	43.26	735.42

GROWTH OF MAN-MADE FIBRES :

The Man-made fibre industry (synthetic and cellulose) in India has not experienced rapid growth as in other Countries due to Government Policy, skewed towards natural fibres. Indian MMF production is competitive relative to other major producing countries like China, where energy and labour costs are on the rise. Our MMF Sector also suffers from some practices of domestic producers, such as import parity pricing and calibrating production to influence price trends. Removal of custom duties and/or atleast substantial reduction in other taxes and duties both on MMF and its raw material may strengthen this industry.

Installed capacity, production, imports/exports and consumption of man-made fibres during the period 2010-11 to 2017-18 have been as under :-

Quantity in Million Kgs.								
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Viscose Fibre								
Installed capacity	418.68	418.68	418.68	418.68	418.68	418.68	418.68	418.68
Production	305.09	322.63	337.49	361.01	365.15	341.90	364.99	369.82
Import	14.07	21.41	15.36	18.38	27.33	34.01	33.91	27.23
Export	56.24	78.58	99.53	107.15	125.77	154.00	158.19	123.68
Consumption	262.49	245.72	257.42	278.22	257.57	232.52	244.16	278.18

Polyster Fibre								
Installed capacity	1182.72	1182.72	1182.72	1182.72	1182.72	1182.72	1182.72	1182.72
Production	896.33	829.74	848.04	845.95	881.56	893.95	898.98	852.29
Import	31.55	44.68	29.67	42.63	81.86	99.72	99.81	90.67
Export	162.38	176.00	170.32	205.34	183.58	181.81	213.90	221.17
Consumption	756.22	704.07	697.39	690.87	781.68	806.06	780.48	720.61
Acrylic StapleFibre								
Installed capacity	155.00	155.00	167.00	167.00	167.00	167.00	167.00	167.00
Production	79.47	77.70	73.60	96.11	92.54	106.79	96.36	93.21
Import	21.43	19.58	28.78	32.16	31.84	35.01	32.35	27.05
Export	25.23	15.22	6.75	16.32	20.79	31.04	27.19	17.59
Consumption	69.48	85.85	96.14	113.47	100.86	112.50	98.47	104.04
PolypropyleneStaple Fibre								
Installed capacity	8.70	9.60	13.20	13.20	13.20	13.20	13.20	13.20
Production	3.75	4.08	4.26	3.71	4.62	4.71	3.65	3.48
Import	0.12	0.34	0.34	0.40	0.33	1.89	2.02	3.21
Export	0.57	0.57	2.30	14.89	10.61	7.53	9.76	8.90
Consumption	3.26	3.89	2.22	-	-	-	-	-

AVAILABILITY OF RAW WOOL & IMPORTS :

Indigenous production of fine quality wool required by the organized mill sector and decentralized hosiery sector is very limited and for fine quality wool, mills have to depend on imports mainly from Australia and New Zealand. The production and import of raw wool, etc., from 2010-11 are given below :-

Quantity in Million Kgs.

Year	Production of Indigenous Wool	Imports	
		Raw Wool	Woollen & Cotton Rags
2010-11	42.99	94.77	95.55
2011-12	44.73	76.29	140.52
2012-13	46.05	77.16	186.38
2013-14	47.90	89.60	187.53
2014-15	48.10	96.53	222.86
2015-16	47.20	97.84	267.20
2016-17	46.00	87.15	242.56

INTERNATIONAL SCENARIO :

COTTON – PRODUCTION AND CONSUMPTION :

There are around 60 Countries in the World that grow cotton of which the number that produce a significant quantity of 10000 tons and above is about 50. The countries that can be the leading ones are India, China, U.S.A., Pakistan and Brazil.

The ICAC has projected on 1st May, 2018, World Cotton Production and Consumption for the years estimates for 2016-17 and projections for 2017-18. The comparative data since 2013-14 are given in the following table :

Quantity in Million Tons

	2013-14	2014-15	2015-16	2016-17	2017-18
Opening Stock	19.43	21.32	22.97	20.31	18.83
Production	26.22	26.27	21.49	23.10	25.97
Consumption	24.10	24.59	24.14	24.52	25.49
Ending Stocks	21.32	22.97	20.31	18.83	19.31
Cotlook A. Index	91	71	70	83	85

World Cotton Production and Consumption of major cotton producing/consuming countries during 2013-14 to 2017-18 as reported by ICAC is as under :-

Quantity in Thousand Tons

Country	2013-14		2014-15		2015-16		2016-17		2017-18	
	Prod.	Cons.	Prod.	Cons.	Prod.	Cons.	Prod.	Cons.	Prod.	Cons.
China	7000	7600	6600	7550	5200	7600	4900	8000	5640	8220
India	6766	5087	6562	5377	5746	5296	5865	5148	6120	5300
USA	2811	773	3553	778	2806	778	3738	708	4580	730
Pakistan	2076	2470	2305	2467	1537	2147	1663	2147	1800	2350
Brazil	1734	862	1563	778	1289	751	1530	690	1700	720
Vietnam	-	673	-	875	-	1007	-	1168		1310
Bangladesh	-	1129	-	1197	-	1316	-	1409	-	1440
Others	5838	5507	5686	5565	4907	5242	5399	5246	6130	5420
World Total	26225	24101	26269	24587	21485	24139	23095	24516	25970	25490

Other major consumers include EU, Turkey, etc.

The area and production of cotton in India is largest in the World.

COTTON – YIELD

As per ICAC, report dated 1st November, 2017 the average yield in major cotton producing countries in the World during 2017-18 is estimated as under:-

Rank	Country	Production Million kgs.	Area Harvested 000 Hectares	Yield Kgs/Hectare
1	India	6033	11500	522
2	China	5246	3908	1693
3	U S A	4595	4573	1005
4	Pakistan	2140	3099	691
5	Brazil	1570	995	1578
6	Australia	982	574	1711
7	Uzbekistan	800	1208	662
8	Turkey	829	475	1747
9	Greece	250	243	1028
10	Argentina	249	410	609
	World	25566	32499	787

WORLD FIBRE CONSUMPTION :

According to ICAC, CIRFS, TFY, FEB, Lenzing estimates World fibre market consumption was estimated at 99 million tons in 2016, which consisted of biggest share of oil based synthetic fibres (62.7%) followed by cellulosic and protein based fibres (cotton 24.3%), wood based cellulosic fibres (6.6%), other natural fibres (5.3%) and wool (1.1%).

STATE SCENARIO :**COTTON PRODUCTION :**

Madhya Pradesh is growing cotton specially in Khandwa, Khargone, Barwani, Jhabua, Ratlam, and other areas. The area under cotton in Madhya Pradesh varies between 5 to 7 lakh hectares, and the production between 15 and 20 lakh bales. The area under cotton cultivation, the production of cotton and yield per hectare from 2010-11 to 2017-18 is given hereunder :-

Year	Area under cotton (In Lakh Hectares)	Production (In Lakh Bales)	Yield (Kgs/Hectare)
2010-11	6.50	17.70	463
2011-12	7.06	18.00	433
2012-13	6.08	19.00	531
2013-14	5.14	19.00	628
2014-15	5.74	19.00	563
2015-16	5.63	18.00	544
2016-17	5.99	20.50	582
2017-18	6.00	20.50	578

The yield data gives a very distorted figure because the production data includes cotton received from / sent to nearby States of Maharashtra, Gujarat, etc., for ginning and pressing on account of variation in rates of Mandi Tax on cotton, which is lower in neighbouring States.

In our opinion the State Government should draw an action plan, consisting of the following measures to increase production and quality of cotton in the State :-

- Earmark varieties of cotton for cultivation in State to encourage the growers to produce cotton needed by the Industry, like Mech-1, DCH-32, H-4, S-6, LRA and MCU-5.
- Provide expert advice to cotton growers through field visits of officers of Agriculture Department, and Scientists from Agriculture Colleges/Universities.
- Create awareness amongst cotton growers regarding modern and scientific cultivation practices and methodology of keeping cotton free from contamination.
- Encourage growing of Organic Cotton / Better Cotton Initiative (BCI).
- Immediate reduction of Mandi Tax on cotton to Zero.

The State Government should take up Cotton Collaborative Project as proposed by Cotton Development & Research Association of CITI and involve Ginning & Pressing Factories, Jawaharlal Nehru Krishi Vishwavidyalay and Kisan Vikas Kendras for development of cotton production in Ratlam, Dhar and Jhabua Districts of the State.

PRODUCTION OF MAN-MADE FIBRE (VSF) :

The only unit manufacturing Man-made fibre in the State (Grasim Industries Ltd.) has reported the production of Viscose Staple Fibre as under :-

Year	Production in '000 Kgs.
2010-11	1,32,204
2011-12	1,42,258
2012-13	1,51,528
2013-14	1,55,011
2014-15	1,53,671
2015-16	1,27,656
2016-17	1,50,121
2017-18	1,54,414

The production of Viscose Staple Fibre could have been much more, had the production activities at this plant not shutdown every year due to non-availability of water in the summer season for 1½ to 2 months.

COTTON CONSUMPTION :

Consumption of cotton by textile mills in the State since 2010-11 is as follows :-

Year	Consumption in '000 Kgs.
2010-11	2,78,457
2011-12	3,09,955
2012-13	3,48,424
2013-14	3,88,474
2014-15	4,33,521
2015-16	4,48,853
2016-17	4,99,904

The data in respect of consumption of Man-made fibre is not available separately for the State.

MINIMUM SUPPORT PRICE FOR KAPAS :

FOR 2017-18 :

The Government of India, Ministry of Agriculture & Farmers Welfare announces the Minimum Support Price (MSP) for two basic varieties of cotton, medium staple length cotton having staple length of 24.5 to 25.5 mm with micronaire value of 4.3 to 5.1 and long staple length cotton having staple length of 29.5 to 30.5 mm with micronaire value of 3.5 to 4.3 of Kapas (seed cotton). Based on the support price for these two basic varieties vis-à-vis the normal price differential and other relevant factors, the Textile Commissioner announces the support price for other varieties of kapas. The support prices announced by Textile Commissioner vide his Notification dated 14th September, 2017 for 2017-18 cotton season (October-September) are as under :-

CLASS OF COTTON	Fibre Quality Parameters		Minimum Support Price (MSP) Rs. per Qtl.		Names of the indicative varieties used by the Trade
	Basic Staple Length (2.5% Span Length) in mm	Micronaire Value	2016-17	2017-18	
(I)	(II)	(III)	(IV)	(V)	(VI)
Short Staple (20 mm & below)					
	-	7.0-8.0	3360.00	3520.00	Assam Comilla
	-	6.8-7.2	3360.00	3520.00	Bengal Deshi
Medium Staple (20.5 mm – 24.5 mm)					
	21.5-22.5	4.2-6.0	3610.00	3770.00	V-797/G.Cot.13/G.Cot.21
	21.5-23.5	4.8-5.8	3660.00	3820.00	Jayadhar
	23.5-24.5	3.4-5.5	3710.00	3870.00	AK/Y-1 (Mah & M.P.) / MCU-7 (TN)/SVPR-2(TN)/PCO-2 (AP & Kar)/K-11 (TN)
Medium Long Staple (25.0 mm – 27.0 mm)					
	24.5-25.5	4.3-5.1	3860.00	4020.00	J-34 (Raj)
	26.0-26.5	3.4-4.9	3960.00	4120.00	LRA-5166/KC-2(TN)
	26.5-27.0	3.8-4.8	4010.00	4170.00	F-414/H-777/J-34 Hybrid

Long Staple (27.5 mm – 32.0 mm)					
	27.5-28.5	4.0-4.8	4060.00	4220.00	F-414/H-777/J-34 Hybrid
	27.5-28.5	3.5-4.7	4060.00	4220.00	H-4/H-6/MECH/RCH-2
	27.5-29.0	3.6-4.8	4110.00	4270.00	Shankar-6/10
	29.5-30.5	3.5-4.3	4160.00	4320.00	Bunny/Brahma
Extra Long Staple (32.5 mm & above)					
	32.5-33.5	3.2-4.3	4360.00	4530.00	MCU-5 / Surabhi
	34.0-36.0	3.0-3.5	4560.00	4720.00	DCH-32
	37.0-39.0	3.2-3.6	5360.00	5520.00	Suvin

The other terms and conditions specified in the Order were almost similar to those of the previous years.

FOR 2018-19:

The Government of India has approved increase in Minimum Support Price for Cotton Season 2018-19 of Rs.1150/- per quintal. With this hike, the Minimum Support Price for Medium Staple Cotton is now Rs.5150/- per quintal and for Long Staple Cotton it is Rs.5450/- per quintal.

COTTON PRICE TREND :

CURRENT YEAR :

It is said that if there is anything certain about Cotton prices, it is their uncertainty. This was demonstrated by behavior of cotton prices during the year. The movement of prices (monthly average spot rates) of some of the major varieties during the year has been as under :-

Average Spot Rates : Rupees per Candy

Month	J-34 SG Punjab		Mech-1/H-4 (28 mm) MP		S-6 (28 mm) Gujarat		DCH-32 (34/36 mm) Karnataka	
	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18
April, '17	34550	45350	34105	43781	35325	44055	50964	59370
May	36364	44780	36004	43152	35898	42978	51765	60395
June	39525	44450	39464	43276	39457	43262	54638	59943
July	44734	43365	45339	43333	40691	43233	57988	59790
August	45968	42658	47227	43170	47408	42910	58855	59480
September	43596	41804	45862	42704	45801	42310	59098	58002
October	39962	36530	42891	38700	42658	39060	56710	56330
November	38647	36772	38877	37953	38636	37708	55215	52828
December	39418	38721	39162	39343	39262	37942	54997	55562
January, '18	41804	41267	41207	40734	41303	41004	55178	58690
February	43725	40204	42551	40154	42558	40000	55701	58900
March	45542	40254	43693	40393	43703	39493	57582	58557
April	45358	40480	43781	40445	44055	39940	59370	56340

Source : Indian Cotton Federation

Cotton markets are mainly influenced by China, the largest consumer followed by India, Pakistan, Vietnam, Bangladesh, etc.

OTHER RAW MATERIAL PRICES :

The month end prices of various items of raw material during 2017-18 have been as under :-

Average Rates – Rs./Kg.

Month	Cotton				VSF	PSF	Raw Wool	Marino Wool (Imported)
	Raw (Wt.Avg.)	Medium 20.5-24.5 mm	Long 27.5-32.0 mm	Extra Long 32.5 mm & above				
April'17	111.81	93.64	120.07	145.62	180.57	94.14	237.50	698.77
May	112.57	95.26	122.67	142.71	180.57	91.93	237.55	691.01
June	111.93	94.98	120.71	142.43	180.57	90.83	237.50	739.61
July	111.06	94.84	119.93	141.02	189.39	92.52	237.50	770.48
August	110.05	93.15	119.86	139.62	189.39	95.27	245.00	763.25
September	103.13	90.90	107.35	132.73	189.70	100.16	250.25	821.44
October	102.99	93.99	104.82	128.37	189.70	106.06	255.50	798.33
November	103.65	95.68	104.40	128.65	189.70	106.06	260.25	783.27
December	112.35	101.59	114.04	141.59	189.70	110.78	295.20	785.97
January'18	111.52	99.47	115.65	141.74	188.95	110.78	303.50	859.36
February	109.63	99.26	112.27	137.37	192.29	110.78	309.75	977.66
March	108.20	95.86	113.40	135.96	132.29	112.55	312.50	966.00

Source: Ministry of Textiles.

EXPORT OF COTTON :

Registration requirement for export of cotton (Tariff Code 5201 and 5203) was dispensed with vide Notification dated 8th December, 2014.

Export of Cotton (including waste) since 2010-11 has been as under :-

Year	Quantity (Tons)	Value (Rs. Crore)
2010-11	12,58,443	12,979.93
2011-12	20,03,589	21,624.27
2012-13	20,14,783	19,812.98
2013-14	19,47,680	22,341.35
2014-15	11,42,529	11,642.63
2015-16	13,46,422	12,814.61
2016-17	10,02,768	10,982.14

CAB has estimated export of 67.00 lakh bales of Cotton during Cotton Season 2017-18 as against 58.21 lakh bales in 2016-17.

Our Member Mills (those, who reported) exported cotton (including waste) during the last seven years, details of which are as under :-

Year	Value Rs. in Lakh
2010-11	813.21
2011-12	738.11
2012-13	296.66
2013-14	438.64
2014-15	68.69
2015-16	207.83
2016-17	1319.50

ORGANIC COTTON :

Cotton grown without environmentally dangerous chemicals is called clean, natural, green and Organic Cotton. Organic cotton provides all the quality and texture desired of cotton products. It feels good on skin and great on conscience. The demand for Organic Cotton is rising with people becoming more conscious for environment and health. The World production of Organic Cotton has risen from 610 tons in 2001 to 2,41,697 tons in 2010. Organic Cotton is grown in 18 countries and is around 0.6% of global cotton production. Presently it is grown on 302562 hectares of land and 219947 farmers are involved. The production increased by around 10% in 2013-14 after three years of decline. The top seven organic cotton producing countries are India (56%), China (14%), Turkey (7%), Kyrgyzstan (7%), Tajikistan (6%), USA (4%) and Tanzania (3%) accounting for 97.00% of the total production. The World Organic Cotton production have been as under :-

Year	Value Rs. in Lakh
2010-11	151079
2011-12	143600
2012-13	106556
2013-14	116974
2014-15	112488
2015-16	107980

According to Organic Cotton Market Report, 2017, 60184 tons of Organic Cotton was grown in India on 1,89,364 hectares of land. Madhya Pradesh continued its significant leadership in terms of production (25980 tons) followed by Gujarat at 13181 tons and Odisha at 12402 tons.

Nearly all States showed a slight decrease in land area planted with organic cotton, though Tamil Nadu and Karnataka experienced the most significant decline. Madhya Pradesh continued its significant leadership in terms of land area planted with organic cotton of 86,037 hectares followed by Gujarat at 40,004 hectares and Maharashtra 25,669 hectares.

Despite an increase in both area and the number of farmers, production of organic cotton actually reduced by 20% compared to last year from 75251 tons to 60184 tons. This was largely due to the trend of farmers – both organic and conventional – moving away from cotton and introducing a higher proportion of grains, vegetables and flowers into their production systems, with flowers for wet markets and pharmaceuticals becoming increasingly lucrative for organic farmers. Organic cotton farmers also continue to face a number of challenges, particularly when it comes to accessing non-GMO seed, lack of availability of Organic input in the market and lack of training in Organic agriculture are also issues.

Another reason behind the drop in organic cotton production in some parts of India is to do with the mismatch of fibre lengths for the market. Common lengths are 19-26 mm, suitable for denim products and home furnishings, and 33-40 mm, suitable for luxury products – both of which have relatively lower market demand than the medium lengths, which sits between the two.

The growth of Organic Cotton farming in India has been as under :-

Year	Quantity in Tons
2010-2011	102452
2011-2012	103004
2012-2013	81171
2013-2014	86853
2014-2015	75251
2015-2016	60184

The advent of Better Cotton Initiative (BCI) and failure of Organic Cotton to give expected higher price than conventional cotton has also led to reduction in area under organic cotton in India. It is believed that BCI will take a lead over organic cotton production.

BETTER COTTON INITIATIVE :

The Annual Report of Better Cotton Initiative (BCI) 2017, a Switzerland based Not for Profit Organisation says Better Cotton now makes up around 5% of the national cotton production in India. 12,90,243 farmers were licensed Worldwide to sell Better Cotton in 2016-17, and they produced 14% of global cotton supply. Better Cotton is available in 21 cotton producing countries after only seven years of operations.

Better Cotton is produced in 10 States in India and there were 3,03,886 BCI Farmers, producing Better Cotton lint of 3,25,000 tons on 5,01,000 hectares in cotton season 2016-17.

A total of 18 Implementing Partners implemented Better Cotton projects multiplying their efforts to reach out to the larger demand for Better Cotton. The BCI Implementing Partners in India are: Ambuja Cement Foundation, Action for Food Production, Arvind, Cotton Connect, MYKAPS, Solidaridad, WWF-India, Abhishek Industries/Trident Group, Action for Social Advancement, Dilasa Janvikas Foundation, Mahima Fibres, PRDIS, Pratibha Syntex, Spectrum International, We Care Society, Deshpande Foundation, Anandi Ecofarms and CAIM.

COLLECTION OF STATISTICS ACT, 2008 :

Independent Cotton Ginning Factories, independent Cotton Pressing Factories and Cotton Ginning & Pressing Factories, Traders, Surgical Cotton or Cotton Wading Manufacturers and Cotton Textile Mills are required to submit to Textile Commissioner's Office by 15th of succeeding month, monthly statistics relating to cotton as prescribed by the Ministry of Textiles vide Gazette Notification No. S.O. 7861 (E) dated 27th February, 2013 (published in Gazette of India on 20th March, 2013).

MANDI TAX ON COTTON :

The State Government vide its Notification dated 30th November, 2010 reduced the rate of Mandi Tax applicable to un-ginned cotton brought in any Krishi Upaj Mandi either from within the State or from outside the State from Rs. 2 per Rupees One hundred to Rs. 1 per Rupees One hundred for a period of one year. This Notification has been extended upto 7th January, 2019.

WORKING CAPITAL FOR RAW MATERIAL :

The Industry continues to pursue the matter regarding making available Working Capital Loans, at 7% p.a. interest with 10% margin and for 9 months duration. Such a facility is a must for mills for purchasing and stocking cotton, during the cotton season, to reduce cost of production and make cost of our money globally competitive.

IMPORT OF COTTON AND OTHER FIBRES BY MEMBER-MILLS :

Information relating to Import of Cotton and Other Fibres by Member-Mills during 2017-18 is given in Annexure-II.

CONSUMPTION OF COTTON AND OTHER FIBRES BY MEMBER MILLS :

Details of Consumption of Cotton and Other Fibres by Member-Mills during 2017-18 are available in Annexure-III.

PRODUCTION OVERVIEW

One of the oldest industries in Indian economy dating back several centuries is India's textile sector. Textile sector is one of the largest contributors to India's exports with approximately 13% of total exports. It is labour intensive and is one of the largest employers. The industry realized export earnings worth US\$ 37.73 billion in 2017-18. It has two broad segments, the unorganized sector consisting of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods, and the second the organized sector consisting of spinning, apparel and garment segment using modern machinery and techniques.

The textile industry employs about 45 million workers and 68 million indirectly. The Indian textile industry is extremely varied, with the hand-spun and hand woven textile sectors, on one side, while the capital intensive sophisticated mills sector at the other end. The decentralized power looms/hosiery and knitting sector form the largest component of the textile sector. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the World.

Currently the Country's textile market is estimated at more than US\$ 150 billion (at market price), which is poised to become more than US\$ 250 billion on or before 2019 growing at a CAGR of 13.58%.

The Index of Industrial Production (IIP) data (Base 2011-12) covers two textile groups, namely textiles and wearing apparel. The following IIP data for last three years show the growth pattern of the industry :-

Base year	2015-16	2016-17	2017-18
Textiles	119.40	117.40	116.80
Growth (%)		(-)1.68	(-) 00.50
Wearing Apparel	131.80	151.70	135.00
Growth (%)		15.10	(-) 11.00

NATIONAL TEXTILE POLICY :

The National Textile Policy of 2002 exists. The Ministry of Textiles, vide its Resolution dated 17th June, 2013, constituted an Expert Committee with Shri Ajay Shankar, Member Secretary, National Manufacturing Competitiveness Council (NMCC) as Chairman consisting of 24 Members to review the National Textile Policy : 2002 and formulate the new National Textile Policy. The Confederation of Indian Textile Industry and Federation of Indian Chambers of Commerce & Industry submitted their recommendations to the Expert Committee on 22nd October, 2013 and 1st January, 2014 respectively.

On 28th July, 2014, the Chairman, Expert Committee submitted its Draft Report "Vision, Strategy and Action Plan for Indian Textiles & Apparels" to the Textile Minister. However, the new National Textile Policy is yet to be announced by the Government.

GROWTH OF TEXTILE INDUSTRY :

The Technology Upgradation Fund Scheme has been the growth engine for textile industry modernization. The Organised Sector is dominated by spinning units, which, in terms of numbers, account for about 80% of the units in this Sector. Out of 2009 textile units, in the organized sector 1804 are spinning mills and 205 are composite. The weaving capacity of the organized mill sector stagnated for a number of years mainly because of existing Textile Policy. From 1992, the weaving capacity has been decreasing substantially. However, this reduction in the capacity is compensated by emergence of decentralized power loom and hosiery sectors in a big way. With the thrust on weaving/technical textiles sector in the Amended Technology Upgradation Fund Scheme, weaving and technical textile sectors are expected to grow in the coming years. The Ministry of Textiles launched comprehensive Scheme for Power loom Sector development on 1st April, 2017 – POWERTEX.

The expansion of spinning sector has largely taken place in Tamil Nadu, Andhra Pradesh, Punjab, Gujarat and Madhya Pradesh. Tamil Nadu alone accounts for about 46% of total spindleage in the Country.

The comparative data of last seven years in respect of Mills and their capacity are as under :-

	2012	2013	2014	2015	2016	2017	2018
Textile Mills:							
Spinning Mills (Non SSI)	1761	1771	1757	1776	1779	1803	1804
Spinning Mills (SSI)	1336	1332	1307	1325	1335	1352	1353
Composite Mills (Non SSI)	196	198	197	200	201	205	205
Exclusive Weaving Mills	173	173	174	174	175	175	212
Power-loom Units (Lakh Nos.)	5.20	5.28	5.30	5.43	5.54	5.54	5.54
Capacity:							
Spindles (SSI + Non SSI) (Million Nos.)	48.25	49.17	49.46	50.16	51.36	52.45	52.47
Rotors (SSI + Non SSI) (Lakh Nos.)	7.71	7.95	8.14	8.33	8.57	8.76	8.76
Looms (organized sector) (Lakh Nos.)	0.66	0.66	0.66	0.67	0.68	0.68	0.69
Power looms (Lakh Nos.)	22.98	23.47	23.67	24.75	25.23	26.29	27.02
Knitting Machines (Nos.) in Composite & exclusive Weaving Mills	1398	1532	1529	1529	1590	1797	1797
Hand looms (Lakh Nos.)	23.77	23.77	23.77	23.77	23.77	23.77	23.77
Worsted Spindles Woolen (Lakh Nos.)	6.04	6.04	6.04	6.04	6.04	6.04	6.04
Non-Worsted Spindles Woolen (Lakh Nos.)	4.37	4.37	4.37	4.37	4.37	4.37	4.37
Woolen Power looms (Nos.)	7228	7228	7228	7228	7228	7228	7228

India has second largest manufacturing capacity globally. Textile Industry accounts for about 25% of the World spindle capacity and 8% of World rotor capacity. It has highest loom capacity (including handlooms) with 63% of World's market share

PRODUCTION OF SPUN YARN :

More than 95% of the yarn is produced in the Organised Sector. The figures of spun yarn production (Cotton, Blended and 100% Non-cotton yarn) since 2010-11 with percentage share including production in SSI Sector are given below :-

Year	Cotton Yarn		Blended Yarn		100% Non-cotton Yarn		Total
	Mn Kgs	%age share	Mn Kgs	% age share	Mn Kgs	%age share	Mn Kgs
2010-11	3490	74.05	797	16.91	426	9.04	4713
2011-12	3126	71.60	789	17.88	457	10.52	4372
2012-13	3583	73.60	828	17.01	457	9.39	4868
2013-14	3923	74.09	896	16.86	485	9.05	5309
2014-15	4055	73.97	920	16.68	513	9.35	5488
2015-16	4138	73.06	972	17.15	555	9.79	5665
2016-17	4061	71.66	1034	18.26	572	10.08	5666
2017-18	4065	71.56	1063	18.71	553	9.73	5681

It will be observed that production of yarn was just stagnant during the year.

STOCK OF SPUN YARN :

The position of stock of spun yarn at the end of each year since 2012-13 has been as under :-

Quantity in Million Kgs.

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Cotton Yarn	107.92	133.80	140.60	140.68	147.61	130.60
Blended Yarn	40.37	51.33	48.30	49.46	57.99	57.74
100% Non Cotton Yarn	21.38	23.40	22.48	22.99	25.47	24.02
Total	169.67	208.53	211.38	213.13	231.08	212.37

ANALYSIS OF STATEWISE PRODUCTION OF COTTON AND COTTON YARN :

An analysis of State wise production of cotton and production of yarn figures show that the States, which contributed highest in the production of cotton such as Gujarat – 27.53%, Maharashtra – 25.65%, Andhra Pradesh -5.50%, Telangana – 13.91% are contributing towards cotton yarn production at 4.50%, 7.20%, and 10.3% respectively. However, Tamil Nadu which grows cotton – 1.44%, contributed maximum at 38.97% to cotton yarn production.

The share of our State Madhya Pradesh in cotton production during 2016-17 was 6.05% only, whereas in cotton yarn production it was 8.0%. The following table gives the share of each State in cotton and yarn production in the Country during the year 2016-17 :-

State	Production of Cotton		Production of Yarn : % Share			
	Lakh Bales	% Share	Cotton	Blended	Non Cotton	Total
Punjab	9.00	2.60	14.40	13.70	19.0	14.80
Haryana	20.50	5.90	6.40	1.40	1.10	4.90
Rajasthan	16.50	4.78	3.80	22.33	17.92	8.61
Gujarat	95.00	27.53	4.50	2.90	1.20	3.90
Maharashtra	88.50	25.65	7.20	6.50	7.50	7.10
Madhya Pradesh	20.50	6.05	8.00	8.30	6.50	7.90
Telangana	48.00	13.91	10.3	3.00	6.80	8.65
Andhra Pradesh	19.00	5.50				
Karnataka	18.00	5.20	0.40	0.20	0.20	0.40
Tamil Nadu	5.00	1.44	38.97	27.15	24.91	35.39
Uttar Pradesh	-	-	0.85	1.20	3.15	1.15
Himachal Pradesh	-	-	1.72	5.33	6.72	2.88
Uttaranchal	-	-	0.62	1.92	1.53	0.95
Dadra Nagar Haveli	-	-	1.54	0.61	0.03	1.22
Others	5.00	1.44	1.30	5.46	3.44	2.15
Total	345.00	100.00	100.00	100.00	100.00	100.00

The top four yarn manufacturing States during 2016-17 are Tamil Nadu, Punjab, Rajasthan and Madhya Pradesh. During the year, the share of total yarn production of our State is 7.90%.

PRODUCTION OF FILAMENT YARN :

As on 31st March, 2018, the Filament Yarn Production Capacity in the Country was as under :-

Q uantity in Million Kgs.

Item	Quantity
Viscose Filament Yarn	79.52
Nylon Filament Yarn	32.00
Polyester Filament Yarn	2103.23
Polypropelene Filament Yarn	17.63
T otal	2232.38

The present capacity utilization in this Sector is only around 55%. The production of Filament Yarn of various fibre in the Country during the years 2011-12 to 2017-18 are given below :-

Quantity in Million Kgs.

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Viscose Filament Yarn	42.35	42.63	43.99	43.93	45.41	46.09	46.89
Nylon Filament Yarn	27.95	22.91	24.09	32.45	37.26	41.00	39.38
Polyster Filament Yarn	1379.52	1288.15	1212.43	1157.41	1068.80	1060.42	1090.14
Polypropylene Filament Yarn	13.19	17.18	12.91	12.76	12.66	11.44	10.90
Total	1463.01	1370.87	1293.42	1246.55	1164.13	1158.95	1187.31

PRODUCTION OF FABRIC :

The weaving industry is mainly characterized by the Unorganised Sector, with power looms accounting for 57%, hosiery units for 26% and handloom around 12% of total cloth production. Organised sector weaving mills account for only 3% of cloth production.

The production of fabric in the mill sector decreased by 5%. The figures of production of fabric in all the four sectors for last seven years are given hereunder :-

Quantity in Million Square Metres

Type of Cloth	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Mill Sector							
Cotton	1724	1684	1622	1592	1504	1500	1314
Blended	521	674	818	808	733	689	726
100% Non Cotton	68	60	91	86	78	75	108
Total	2313	2418	2531	2486	2315	2264	2148
Handloom Sector							
Cotton	6021	6239	6315	6427	6827	7117	7164
Blended	121	115	145	88	106	109	166
100% Non Cotton	759	598	644	688	705	781	660
Total	6901	6952	7104	7203	7638	8007	7990

Power loom Sector							
Cotton	12027	13956	14320	15241	15696	15730	15989
Blended	6302	6655	7117	7511	7826	8197	9026
100% Non Cotton	19116	17428	15353	14998	13462	11745	13692
Total	37445	38038	36790	37750	36984	35672	38706
Hosiery/Knitted Sector							
Cotton	10798	11992	13256	13699	14413	14490	15428
Blended	1524	1838	1982	2042	2144	2085	1466
100% Non Cotton	624	711	961	1153	1090	962	776
Total	12946	14541	16199	16894	17647	17537	17670
Cotton	30570	33870	35513	36959	38440	38837	39684
Blended	8468	9282	10062	10449	10809	11080	11384
100% Non Cotton	20567	18797	17049	16924	15335	13563	15236
Total	59605	61949	62624	64332	64584	63480	66514
Khadi, Silk & Wool	848	843	876	944	921	941	941
Grand Total	60453	62792	63500	65276	65505	64421	67455

The following table gives the percentage share of fabric production in various sectors:-

Sector	Production Mn. Sq. Mtrs.				Percentage share			
	2014-15	2015-16	2016-17	2017-18	2014-15	2015-16	2016-17	2017-18
Mills	2485	2315	2264	2148	3.81	3.48	3.51	3.18
Powerloom	37750	36984	35672	38706	57.83	55.66	55.37	57.37
Handloom	7203	7638	8007	7990	11.03	12.36	12.43	11.85
Hosiery/Knitted	16894	17647	17537	17670	25.88	27.08	27.23	26.20
Khadi/Silk/Wool	944	921	941	941	1.45	1.42	1.46	1.40
Total	65276	65505	64421	67455	100.00	100.00	100.00	100.00

It will be observed from the above table that production percentage in various Sectors is almost stagnant. Mill sector is concentrating mainly on spinning and production of high value fabrics/fabrics for exports.

PRODUCTION OF WOOLLEN ITEMS :

The production of Woollen items from 2010-11 onward have been as under :-

Year	Worsted Yarn Mn. Kgs.	Woolen Yarn Mn. Kgs.	Fabrics Mn. Mtrs.	Shoddy Yarn Mn. Kgs.
2010-11	62.00	30.50	88.00	43.00
2011-12	61.00	30.00	87.00	44.00
2012-13	62.00	30.00	88.00	44.00
2013-14	63.00	32.00	90.00	44.00
2014-15	63.15	32.25	90.25	44.25
2015-16	63.00	32.00	90.15	44.00
2016-17	60.87	30.90	88.32	44.29

PER CAPITA AVAILABILITY OF CLOTH :

The position of per capita availability of cloth since 2010-11 is as under :-

Quantity in Sq. Mtrs.

Year	Cotton	Blended/Mixed Fabrics	100% Non-cotton Fabrics	Total
2010-11	21.35	5.57	17.04	43.96
2011-12	19.76	5.47	15.23	40.46
2012-13	19.88	5.45	13.14	38.47
2013-14	19.80	5.61	10.75	36.16
2014-15	23.57	6.66	10.38	40.61
2015-16	24.59	6.92	8.99	40.50
2016-17	25.75	7.35	8.45	41.55

GROWTH OF TEXTILE INDUSTRY IN THE STATE :**MILLS & PERFORMANCE :**

According to the Office of the Textile Commissioner, the structure of the Textile Industry in the State has been as under :-

	2013-14	2014-15	2015-16	2016-17	2017-18
Textile Mills :					
Spinning Units (Non-SSI)	43	43	43	43	44
Composite Mills.	16	16	16	16	16
Spinning Mills (SSI)	5	6	6	6	6
Exclusive Weaving Mills (Non-SSI)	4	4	5	5	5
100% Export Oriented Units	1	1	-	-	-
Number of Power-looms	1,26,679	1,33,425	1,33,425		
Number of Power-loom Units	49,968	53,043	53,043		
Number of Handloom Units	3,604	3,604	3,604	3,604	3,604
Man-made fibre Units	1	1	1	1	1
Man-made filament yarn Units	-	-	-	-	-
Installed Capacity:					
a) No. of Spindles (Non-SSI & SSI)	2,254	2,300	2,478	2,478	2,487
in thousand					
b) No. of Rotors (Non-SSI & SSI)	31,272	31,488	33,888	33,888	33,888
c) No. of Looms (Composite & Exclusive Weaving Units).	4,033	4,033	4,469	4,469	4,469
d) No. of Knitting Machines	141	141	159	159	159

Although the number of mills reported by the Textile Commissioner's Office are 66, but around 22 of the mills are either closed or not having any activity. Thus the operational mills are around 45 only. Our State has only about 4.8% of the total spindleage in the Country.

PRODUCTION OF SPUN YARN :

The figures of spun yarn production in the State since 2011-12 are as under :-

Quantity in Thousand Kgs.

Yarn	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Cotton Yarn	206639	264535	299696	330074	348605	326350
Blended Yarn	61291	62768	75002	76281	78842	86313
100% Non-Cotton Yarn	25356	25803	26369	26000	31531	36936
Total spun yarn	293286	353106	401067	432355	458978	449599

During 2016-17 the total spun yarn production in the State was 449599 thousand Kgs., which is about 7.9% of the Country's production of 56,59,584 thousand Kgs.

Annexure-IV gives the figures of Spun Yarn produced by our Member- Mills during the year 2017-18.

PRODUCTION OF FABRIC :

The weaving segment of the mill sector in the State has been increasing upto last year. The following table gives the position of fabric production (Mill Sector) in the State since 2010-11 :-

Quantity in Thousand Sq. Mtrs.

Fabric	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Cotton	110356	108821	119231	117412	164843	182155	167818
Blended	29157	24140	32796	43909	62175	49285	56304
100% Non-Cotton	710	379	293	362	1513	1611	1467
Total	140223	133340	152320	161683	228531	233051	225589

During 2016-17, fabrics production in the State was about 10.0% of Country's total fabrics production in Mill Sector. Annexure-V gives the figures of Production of Fabrics (Woven & Knitted) during the year 2017-18, while Annexure-VI contains the figures of Production of Knitted Garments by the Member Mills.

DOMESTIC DELIVERY OF HANK YARN :

Hank Yarn Obligation was introduced in 1974 at 50% of production of cotton and Viscose yarn. However, from 2003 this was reduced to 40% of yarn packed for civil consumption in hank form, on a quarterly basis and not less than 80% of Hank Yarn packed shall be on counts 80s and below.

A Study conducted by office of Textile Commissioner has reported that around 40% of hank yarn is consumed by power-loom weavers due to VAT advantage and lower dyeing cost. Similarly, a Study conducted by National Institute of Public Finance & Policy during 2008 for Development Commissioner (Hand looms) has also reported 38% hank yarn diversion to power-loom sector. Since VAT has been abolished and in the GST regime cone yarn and hank yarn both have been brought under 5% GST rate, the power loom sector, now has shifted to cone yarn.

Against this back-ground, there is a strong case for reduction of Hank Yarn Obligation from 40% to 10%.

As per decision taken in the 69th Meeting of Hank Yarn Price Monitoring Committee, all Spinning Mills are to register online and e-file the Hank Yarn Return (Annexure-I and II) from October-December, 2014 quarter. These Annexures have been revised w.e.f. 1st June, 2018. It is mandatory for all units to submit the Returns from January-March, 2015.

From 2010-11 the domestic deliveries of spun yarn in hank form has been as under :-

Qty . in Mn.Kg.

Year	Cotton	Blended	Fiber	Total
2010-11	486	10	40	536.00
2011-12	485	9	39	534.00
2012-13	503	9	30	542.00
2013-14	509	11	36	556.00
2014-15	518	7	40	565.00
2015-16	551	8	44	603.00
2016-17	574	8	52	635.00
2017-18				632.00

TEXTILES (DEVELOPMENT & REGULATION) ORDER, 2001 :

During the year under report, there was no change in the contents of the Regulations. However, Notification dated 16th May, 2002 of the Textile Commissioner authorizing its Officers to discharge the functions and powers of the Textile Commissioner in respect of matters specified in that Notification continued.

TEXTILES (CONSUMER PROTECTION) REGULATIONS, 1988 :

With the removal of various textile items from the purview of Essential Commodities Act, 1955, vide order dated 15th February, 2002, the provisions of Textiles (Consumer Protection) Regulation, 1988 are now applicable only to tops containing wool, yarn made wholly from cotton and cloth containing cotton or wool, irrespective of whether they are indigenously manufactured or imported.

COLLECTIONS OF STATISTICS ACT, 2008 :

In exercise of the powers conferred under Section 3 and 4 of the Collections of Statistics Act, 2008 read with Rules 5 and 7 of Collections of Statistics Rules, 2011, the Textile Commissioner has been designated as Statistics Officer vide Notification dated 26th April, 2017 for the purpose of collection all the related statistics from manufacturers and traders of textile items. The Forms for Return for Submission of Statistics have been prescribed and Monthly Returns are to be submitted by 15th of the following month and Annual Return (as on 31st March) by 30th April of each year. From 1st October, 2017, it is mandatory for the units to submit information through web portal of the Textile Commissioner.

TEXTILE COMMITTEE :

In exercise of the powers conferred by Section 5E of the Textile Committee Act, 1963 the Central Government exempted readymade garments from levy of whole of Textile Committee Cess w.e.f. 18th January, 2007. It was also withdrawn from all Textile Items & Textile Machinery Industry w.e.f. 1st June, 2007.

TECHNOLOGY UPGRADATION FUND SCHEME :

This Scheme, which was started on 1st April, 1999, has given major thrust to the Textile Sector. On 1st November, 2007, the Ministry of Textiles announced continuation of TUFs for the entire period of 11th Five Year Plan, i.e., upto 31st March, 2012 with special thrust on garmenting, technical textiles and processing segments of the industry. However, the Scheme was kept in abeyance from 28th June, 2010 to 27th April, 2011 and for the period 28th April, 2011 to 31st March, 2012, the Restructured Technology Upgradation Fund Scheme was introduced, which continued upto 31st March, 2013. The Scheme was again revised on 4th October, 2013 and introduced from 1st April, 2013 as Revised Restructured Technology Upgradation Fund Scheme (RRTUFS). The Ministry of Textiles issued a Resolution dated 13th January,

2016, modifying the provisions of Revised Restructured Technology Upgradation Fund Scheme (RRTUFS) and introduced a new scheme “Amended Technology Upgradation Fund Scheme (ATUFS)”, which is effective from date of issue for a period of seven years upto 31st March, 2022.

Under the new Scheme (ATUFS), individual entity is eligible for one time capital subsidy only on the eligible investment, as per the rates and overall subsidy cap indicated below:

- Garmenting, Technical Textiles – Capital subsidy of 15% on eligible machines; CIS per individual entity Rs. 30 crore. As per Resolution dated 25th July, 2016, additional incentive of 10% will be provided to garmenting units and the CIS would stand enhanced from Rs.30 crore to Rs.50 crore. Vide Resolution dated 10th January, 2017, this facility of additional subsidy of 10% and with enhanced CIS of Rs.50 crore is also available to Made-ups Sector.
- Weaving for brand new Shuttle less Looms (including weaving preparatory and knitting), processing, jute, silk and handlooms – Capital subsidy of 15% on eligible machines; CIS per individual entity Rs. 30 crore.
- Composite Units/Multiple Segments – If eligible capital investment in respect of Garmenting and Technical Textiles is more than 50% of eligible project cost – Capital subsidy of 15% on eligible machines; CIS per individual entity Rs. 30 crore.
- Composite Units/Multiple Segments – If eligible capital investment in respect of Garmenting and Technical Textiles is less than 50% of eligible project cost – Capital subsidy of 10% on eligible machines; CIS per individual entity Rs. 20 crore.

The benefits under the Scheme shall be available only if, the eligible benchmark machinery is purchased by availing term loan from a notified agency. Term loan should not be for less than three years including moratorium (for SSI – five years). Term loan component of machinery should be kept at a minimum of 50% of total cost of project. The Unit should work for atleast for the minimum period of term loan. Capital Investment Subsidy will be released in full in one go after satisfactory commissioning/installation and commencement of production.

The Inter Ministerial Steering Committee has decided that a one time window will be open only for one month from the date of dispatch of letter to the units to give a one time opportunity to opt for ATUFS as there is no scope for further sanction under RRTUFS (This is as per Circular dated 3rd May, 2018).

SCHEME OF INTEGRATED TEXTILE PARKS :

The Ministry of Textiles launched Scheme of Integrated Textile Parks in August, 2005. The Government has approved the continuation of this Scheme for next three years from 1st April, 2017 to 31st March, 2020 with a view to increase investments, generate employment opportunities, and boosting exports in textile sector. Each Integrated Textile Park should preferably have 25 units and should consist of at least three segments of textile value chain viz. spinning, weaving, knitting, processing, garmenting, etc. The units in the park will be eligible for benefits under ATUFS, the Scheme for Capacity Building in Textile Sector (समर्थ), and Integrate Processing Development Scheme (IPDS).

The total cost of the project will be funded through grants from Ministry of Textiles, State Government, State Industrial Development Corporation equity from industry and loan from Banks. Grant from MOT will be limited to 40% of eligible project cost to a ceiling of Rs. 40 crore.

The only Textile Park in Madhya Pradesh (CLC Textile Park) at Pandhurna in Chindwara District has been set up. The Park is spread over 20 acres of land, and comprises of ginning and pressing units, spinning, weaving, home textiles and readymade garment units. The infrastructure cost of the Park is Rs.95.65 Crore. Investment of Rs. 594.46 Crore is likely to be made in this Park, which would provide direct employment to 14000 persons and indirect employment to 33000 persons. When fully operational, annual production from this Park will be of Rs. 1250 Crore.

INTEGRATED PROCESSING DEVELOPMENT SCHEME :

With a view to facilitate the Textile Industry to meet the required environmental standards and to support new Common Effluent Treatment Plant (CETP) upgrade CETPs, this Scheme has been modified on 7th December, 2017 for a period of three years from 1st April, 2017 to 31st March, 2020. Grant from the Textile Ministry is limited to the extent of 50% of cost of project subject to a ceiling of Rs. 75 crore for Zero Liquid Discharge System and Rs. 10 crore for Conventional Treatment Systems. The project cost shall be born by the Centre, State, Beneficiary, Bank Loan in the ratio of 50 : 25 : 15 : 10 respectively. The Central Government share will be released in four installments.

PRADHAN MANTRI PARIDHAN ROJGAR PROTSAHAN YOJNA :

Under the Pradhan Mantri Paridhan Rojgar Protsahan Yojna, with effect from 9th August, 2016, a Scheme to incentivize employers in the Apparel Sector registered with Employees' Provident Fund Organisation for job creation was introduced, the Government is paying 8.33% Employers' Contribution to the EPFO for new employees registered with EPFO. The Government will also be paying 3.67% EPF Contribution of these new employees. From 1st April, 2018, Government of India will pay full Employers contribution/EPF and EPS both) as admissible for a period of three years for all new and existing employees for their remaining period of three years through EPFO. This has been made applicable for all sectors.

The Ministry of Labour & Employment vide its Notification dated 7th October, 2016, have introduced a new category of employees – “fixed term employment workmen in apparel manufacturing sector”, by amending Industrial Employment (Standing Orders) Central Rules, 1946. Such a workman is, who is engaged on basis of contract of employment for a fixed period. However, his working hours, wages, allowances and other benefits shall not be less than that of a permanent workman. He shall also be illegible for all statutory benefits available to a permanent workman proportionately, according to the period of service rendered by him. Such a workman would not be entitled to any notice or pay in lieu thereof, if his services are terminated.

SPECIAL TEXTILE PACKAGE OF FISCAL ASSISTANCE IN STATE INDUSTRIAL PROMOTION POLICY – 2014 : (As amend in 2017)

The State Government notified Industrial Promotion Policy – 2014 on 1st October, 2014 (amended in October, 2017), which includes the following Special Package for Textile Industry

1. INVESTMENT SUBSIDY :

Micro, small and medium textile units shall be given an investment subsidy of 10% of eligible investment made in TUFs approved plant and machinery subject to a maximum limit of Rs. One crore.

2. INTEREST SUBSIDY :

- For New Units with an investment of upto Rs. 25 crore in Fixed Assets : 2% for 5 years from the date of commercial production on term loan taken for TUFs approved plant and machinery subject to a ceiling of Rs. 5 crore.
- New standalone units with an investment of more than Rs. 25 crore in fixed Assets **OR** Expansion/ Diversification of Existing Standalone unit with fresh investment in TUFs approved plant and machinery of at least 30% of existing investment in Fixed Capital Assets (Not less than Rs. 25 crore) or Rs. 50 crore, whichever is less : 5% for 5 years from the date of commercial production on term loan taken for TUFs approved plant and machinery.
- New composite unit* with an investment of more than Rs. 25 crore in fixedAssets **OR** Diversification of Existing Standalone unit into a composite unit : 7% for 5 years from the date of commercial production on term loan taken for TUFs approved plant and machinery.

For a unit to be classified as Composite Unit, it should be doing either of the following manufacturing activities irrespective of its locations (location may be same or at different places within the State of Madhya Pradesh) and utilizing at least 75% of primary produce (such as yarn) as an input to the downstream activities:

- Cloth manufacturing using thread and processing activities (weaving/knitting and processing activities).
- Cloth processing and manufacturing (processing and garmenting).
- Thread manufacturing – Apparel manufacturing using thread (dhaga), processing and apparel manufacturing using clothes (spinning, weaving/knitting – processing & garmenting).
- Made-up articles.

3. INVESTMENT PROMOTION ASSISTANCE:

- (a) Due to implementation of Goods & Services Tax w.e.f. 1st July, 2017, erstwhile VAT/CST reimbursement related incentives and Entry Tax exemption have become inapplicable. Large scale industries commencing commercial production from 1st April, 2018 till 31st March, 2022 will be eligible for Investment Promotion Assistance (project investment in plant and machinery more than Rs. 10 crore) to be determined in four steps:
- i) Basic Investment Promotion Assistance.
 - ii) Gross Supply Value Multiple.
 - iii) Export Multiple.
 - iv) Employment Multiple.

The assistance would be disbursed quarterly or annually as per discretion of TRIFAC.

- (b) The Units, which were getting refund of VAT/CST prior to 30th June, 2017 will continue to get the refund based on average turnover with reference to Tax and Sales Multiple.

4. EXPANSION/DIVERSIFICATION/TECHNICAL UP-GRADATION:

- Large and medium industrial units, which invest 30% of existing investment in plant and machinery or Rs. 50 crore (whichever is less) on expansion/diversification/technical up-gradation, will be eligible for assistance / facilities at par with new industrial units.
- Small scale industrial units, which invest minimum 50% of its existing investment in plant & machinery (not being less than Rs. 25 lakh), shall be eligible for assistance/facilities at par with new industrial units.

GARMENT POLICY OF THE STATE

The Government of Madhya Pradesh has Notified its Garment Policy for large industrial units on 9th April, 2018. Ready Made Garments and/or Made-ups unit will be one manufacturing wearable apparel and cloth, at least stitched from two sides using a sewing machine. Garment Manufacturing unit should have started production after issue of Notification in terms of Industrial Promotion Policy, 2014.

The investment in plant and machinery should be over Rs. 10 crore in terms of State Government Notification of 13th October, 2017 as per provisions of Industrial Promotion Policy 2014 (amended in 2017) and Industrial Investment Promotion Scheme, 2014 (as amended in January, 2017). The maximum assistance available under various heads of the Policy will be upto 200% of investment in plant and machinery. The investments made by the unit three years before or three years after of commencement of commercial production will be considered for calculations of assistance amount.

1. INTEREST SUBSIDY:

Reimbursement of interest @ 5% p.a. on term loans taken from Financial Institutions/Banks for purchase of plant and machinery approved by Government of India for its Amended Technology Upgradation Fund Scheme (ATUFS) for a period of 7 years.

2. INVESTMENT PROMOTION ASSISTANCE:

Assistance as per Order dated 13th October, 2017 of the State Government . This is in place of VAT and CST Refund Scheme. The assistance is based on Gross Supply Market Multiple, Export Multiple and Employment Multiple.

3. TRAINING EXPENSES/EMPLOYMENT GENERATION ASSISTANCE:

- i) Training expenses @ Rs. 13000/- per annum for 5 years in respect employees trained from the State and
- ii) Employment Generation @ Rs. 5000 per month per employee in respect of all those new employees, who are appointed in the first eight years from start of commercial production. The period of assistance will be 5 years. The Assistance will be limited upto 10 years, this implies that for a new employee appointed in the 8th year, the assistance will be available for two years only. The assistance will be on following conditions:-

Sl.No	Period	%of Employees from the State (Minimum)
1.	Within one year	50%
2.	Within three years	75%
3.	Within five years	90%

If the above ratio is not maintained the assistance will be reduced, proportionately.

4. REIMBURSEMENT OF STAMP DUTY AND REGISTRATION CHARGES AND DEVELOPMENT CHARGES:

The units, which take land in Industrial Areas established by the State Government will be reimbursed such charges. Units taking land in Government Industrial Areas will be allowed 50% rebate in Development Charges payable, which will be in addition to rebate in premium as per MP Industrial & Building Management Rules, 2015.

5. EXEMPTION FROM ELECTRICITY DUTY/REBATE IN ELECTRICITY:

All eligible new units will get exemption for a period of seven year from payment of Electricity Duty. New units also will get electricity at fixed rate of Rs. 5/- per unit for a period of five years.

For availing above concessions/facilities the units should have started commercial production between 1st April, 2018 and 31st March, 2022. The Units, which invest upto Rs. 75% of proposed investment will be allowed one year extra for availing these concessions/assistance.

TECHNICAL TEXTILES :

The technical textiles sector in the Country is expected to clock a 20% year-on-year growth during 12th Five Year Plan period. With a market size of Rs. 92499 crore in 2015-16 the sector has recorded 11% to 12% growth in last five years. Presently around 30% of India's requirement of technical textiles is met through imports 950 Units have been registered by Textile Commissioner as Technical Textile Manufacturing Units with a total investment in proposed machineries of Rs. 5100 crore approximately.

The segment wise market size and domestic consumption of technical textiles in 2012-13 to 2015-16 has been estimated by the Ministry as under :-

Value : Rupees in Crore.

Sector	Market Size 2017-18	Domestic Consumption		
		2012-13	2013-14	2015-16
Agrotech	1614	643	711	811
Meditech	5142	2620	2868	3413
Mobitech	11435	6483	7229	8990
Packtech	48318	24920	27583	33871
Sportech	7111	3935	4418	5574
Buildtech	4587	2491	2794	3548
Clothtech	8133	4649	5163	6379
Hometech	12145	5474	6243	8156
Protech	3139	1739	1890	2339
Geotech	1275	180	194	227
Oektech	193	120	132	160
Indutech	13127	5550	6320	8235
Total	116217	58804	65545	81703

The Ministry of Textiles has taken a number of initiatives for promotion of technical textiles, some of these are :-

- Technology Mission on Technical Textiles (TMTT) – Outlay Rs.200 crore.
- Focus Incubation Centre under TMTT – Total outlay Rs.17.4 crore.
- Scheme for promotion of use of Agrotech in NER – Outlay Rs.55 crore.
- Scheme for promoting usage of Geotextiles in NER – Outlay Rs.427 crore.
- For promotion of technical textiles 10% Capital Subsidy and 5% interest reimbursement on specified machinery provided in ATUFS.

Our Member Mills – SRF Limited and Mohini Fibres Pvt. Ltd. are working in this segment.

FOREIGN DIRECT INVESTMENT :

The position of total financial year-wise FDI Equity inflows in the Country and in the Textile Sector is given in the following table :-

Amount in Billion

Financial Year	Inflow of FDI in India				% of FDI in Textiles in terms of Rs.
	Total (all sectors)		Textiles (Including Dyed, Printed)		
	Rs.	US\$	Rs.	US\$	
2000-01	103.68	2.38	0.09	0.002	0.09
2001-02	184.86	4.03	0.24	0.01	0.13
2002-03	128.71	2.70	2.58	0.05	2.00
2003-04	100.64	2.19	0.43	0.01	0.43
2004-05	146.53	3.22	1.97	0.04	1.34
2005-06	245.84	5.54	4.15	0.09	1.69
2006-07	563.90	12.49	5.68	0.13	1.01
2007-08	986.42	24.58	7.45	0.19	0.76
2008-09	1428.29	31.40	7.57	0.16	0.53
2009-10	1231.20	25.83	7.15	0.15	0.58
2010-11	973.20	21.38	5.89	0.13	0.61
2011-12	1651.46	35.12	8.04	0.16	0.49
2012-13	1219.07	22.42	5.66	0.10	0.46
2013-14	1475.18	24.30	12.19	0.20	0.83
2014-15	1891.07	30.93	10.02	0.16	0.53
2015-16	2623.21	40.00	17.00	0.26	0.66
2016-17	2916.96	43.48	41.47	0.62	1.42
Grand Total	17875.66	332.11	137.59	2.47	0.74

Data Source: Department of Industrial Policy & Promotion.

Despite the Country offering a large domestic market, competitive labour cost and a well working democracy, its performance in attracting FDI flow has been far from satisfactory. The weakness lies in under developed infrastructure and restrictive operative environment and lack of trade agreements with key markets.

EXPORT & IMPORT

India's textile exports were US \$ 38 billion in 2018 and have grown at 7% CAGR since 2005. Category-wise, apparel exports contribute with a share of 48%. This is followed by home textiles with a share of 14%, fabric with a share of 12% and yarn of 11% respectively.

Our textile industry has strength across the entire value chain from natural fibers to man-made fibres. However, our export performance has been below expectations. In global trade our share is 5%, whereas of China 38%. Through the policy measures by the Government in partnership with industry, the Country could achieve US \$ 80 billion textile and apparel exports by 2025 at a CAGR of 9%.

FOREIGN TRADE POLICY 2015-20 :

The Foreign Trade Policy 2015-20 was unveiled by the Minister of Commerce & Industry, on 1st April, 2015. Some of the highlights of the new Foreign Trade Policy 2015-20 updated vide Notification dated 5th December, 2017 (Effective from 5th December, 2017) are as under:-

MERCHANDISE EXPORTS FROM INDIA SCHEME (MEIS) :

Schemes such as Focus Product Scheme, Market Linked Focus Product Scheme, Focus Market Scheme, Agricultural Infrastructure Incentive Scrip, Vishesh Krishi and Gram Udyog Yojna (VKGUY) have been merged into a single scheme, namely Merchandise Export from India Scheme (MEIS) with no conditions. The Country Group lists were amended on 14th July, 2015 and 28th December, 2015 and some more Countries included. On 24th November, 2017 MEIS incentive rates for ready made garments and madeups were enhanced from 2% to 4% of export value from 1st November, 2017 onwards.

SERVICE EXPORTS FROM INDIA SCHEME (SEIS) :

Served from India Scheme (SFIS) has been replaced with Service Exports from India Scheme (SEIS). It shall apply to "Service Providers" located in India instead of Indian Service Providers of notified Services. The rate of reward will be based on net foreign exchange earned. As per Trade Notice dated 21st July, 2016, deduction of State/Central Taxes collected from the customers will be made while calculating foreign exchange earnings for the Scheme. SEIS incentive have been increased for all services, such as business, Legal Accounting, Architectural, Engineering, Educational, etc. w.e.f. 5th December, 2017.

SELF RATIFICATION SCHEME FOR DUTY- FREE IMPORT OF RAW MATERIAL:

Under this Scheme instead of getting a ratification of the Norms Committee for inputs to be used in manufacture of export products, exporters will self certify the requirement of duty free raw material/inputs and take an authorization from DGFT.

EASE OF DOING BUSINESS:

Comprehensive I.T. based system called Export Data Processing & Monitoring System for monitoring of export of goods facilitating AD Banks to report various returns through a single platform development by Reserve Bank of India has been introduced. MOU has been signed by DGFT with GSTN for sharing foreign exchange realization and import export data. 24x7 custom clearance facility has been extended to all Bills of Entry at 19 Sea Ports and 17 Cargo Complexes. Routine prints of several documents including GAR 7 forms/TR6 Challans, T.P. Copy Exchange Control copy of Bill of Entry and Shipping Bills and export promotion copy of Shipping Bills done away with CBIDC.

SIMPLIFICATION OF PROCEDURES AND PROCESSES:

- PAN is now being used as IEC. Procedure for application for IEC being further simplified.
- The procedure for export obligation (EO) period extension, installation of machinery and block-wise extension under EPCG Scheme has been simplified and delegated to Regional Offices.
- Shifting of capital goods allowed from one unit of the IEC holder to the other.
- Clubbing of EPCG authorizations has been allowed in respect of those authorizations also, where EO period has expired.
- For clarity, a negative list of capital goods, which are not permitted under EPCG scheme has been notified.

- EOU / EHTP / STP / BTP units may import and/or procure from Bonded warehouse in DTA or from international exhibition held in India without payment of Customs Duties and Integrated Tax and GST Compensation Cess.
- The concept of DTA sale from EOU on concessional and full duty has been removed and hence, the limit on entitlement of DTA sale has also been removed. Consequently, restriction on DTA sale of motor cars, alcoholic liquors, books and tea has been removed.
- Inter Unit Transfer from one EOU / EHTP /STP / BTP unit to another unit has been allowed on payment of applicable duties and/or taxes.
- Consignment of goods or parts thereof on being exported and found defective/damaged or otherwise returned by the importer shall be allowed clearance by Customs authorities.
- Second Hand Goods imported for the purpose of repair/ refurbishing/re-conditioning or reengineering have been made free, thereby facilitating generation of employment in the repair services sector.
- "Export of Replacement Goods" has been eased for issuing export license on replacement items which are Restricted/or in SCOMET list.

ENHANCED VALUE LIMIT ON THE FREE OF COST EXPORTS:

Status holders shall be entitled to export freely exportable items on free of cost basis for export promotion subject to an annual limit of Rupees One Crore or 2% of average annual export realization during proceeding three licensing years, whichever is lower.

DUTY CREDIT SCRIPS :

The validity period of duty credit scrips extended from 18 months to 24 months and GST rate for transfer/sale of scrips has been reduced to zero from earlier rate of 12%.

REBATE OF STATE LEVIES ON EXPORT OF GARMENTS AND MADE-UP ARTICLES :

A Scheme for Implementation of Rebate of State Levies (ROSL) on Textile Garments was notified on 12th August, 2016. The Scheme has been extended to exports of Made-up Articles w.e.f. 15th March, 2017. In this Scheme, the Central Government provides rebate of State Levies comprising of VAT/CST on inputs including packaging, fuel, duty on electricity generation and duties and charges on purchase of grid power, as accumulated through the stages of production from yarn to finished garments/made-ups. There is no requirement of separate application or supporting documents except for making a choice in Shipping Bill. The claim-cum declaration of eligibility has to be made by the exporter on drawback exports at item level. The drawback exports (shipping bill or bill of exports) may be standalone or in combination with other Schemes. The amount of rebate is calculated using FOB value and rates and cap of rebates specified in ROSL Scheme have been specified in Notification dated 13th August, 2016 and 15th March, 2017 which have remained valid till 30th September, 2017. The Scheme has come into operation from 20th September, 2016 for Garments and from 23rd March, 2017 for Made-ups and will remain in operation for a period of three years from that date.

On 24th November, 2017 post GST rates of ROSL were notified and these are applicable from 1st October, 2017.

The Confederation of Indian Textile Industry (CITI) has been insisting the Government to extend ROSL benefits to cotton yarn export also.

IMPORTANT NOTIFICATIONS :

1. The DGFT vide its Trade Notice dated 30th June, 2017 notified provisions in the context of implementation of GST regime applicable w.e.f. 1st July, 2017.
2. The CBEC vide its Notification dated 7th July, 2017 specified conditions and safeguards for the registered person, who intends to supply goods or services for export without payment of Integrated Tax, for furnishing a Letter of Undertaking in place of a Bond.
3. The CBEC on 11th August, 2017 issued clarification related to furnishing of Bond/ Letter of Undertaking for export.
4. The Department of Revenue notified on 21st September, 2017 Customs & Central Excise Duties Drawback Rules, 2017.
5. The Department of Commerce notified on 23rd October, 2017 that Duty Credit Scrips will be valid for 24 months (issued after 1st January, 2016) from date of issue and must be valid on date on which actual debit of Duty is made.

DUTY DRAWBACK RATES :

The Central Government notified revised All Industry Rates of Duty Drawback on 21st September, 2017, which are effective from 1st October, 2017. The rates of Duty Drawback of some of the important items are as under :-

DBK Tariff No.	Description of the Product	From 1 st October, 2017		Revised from 25 th January, 2018	
		Rate%	Value Cap Rs. per kg.	Rate %	Value Cap Rs. per kg.
1	2	3	4	5	6
5106	Yarn of Carded Wool not put up for retail sales				
510601	Containing 85% or more by weight of wool, grey, weaving quality	4.00	62.60	5.10	118.0
510602	Containing 85% or more by weight of wool, dyed weaving quality	4.00	64.80	4.90	119.00
510605	Woollen – MMF blended yarn grey (MMF content less than 50% by weight)	4.00	43.00	5.10	-
510606	Woollen – MMF blended yarn dyed (MMF content less than 50% by weight)	4.00	44.80	4.90	-
5111	Woven fabric of Carded wool or of carded fine animal hair				
511101	Containing 85% or more by weight of wool or fine animal hair grey	3.20	53.30	5.00	
511102	Containing 85% or more by weight of wool or fine animal hair dyed	3.20	72.00	5.50	150.10
5112	Woven fabric of combed wool or of combed fine animal hair				
511201	Containing 85% or more by weight of wool or fine animal hair grey	3.20	53.30	5.00	-
511202	Containing 85% or more by weight of wool or fine animal hair dyed	3.20	72.00	5.50	150.10
5205	Cotton Yarn (other than sewing thread) containing 85% or more by weight of cotton, not put up for retail sale				
520501	Grey	1.20	4.40		
520502	Dyed	1.20	7.20		
5206	Cotton Yarn (other than sewing thread) containing less than 85% by weight of cotton, not put up for retail sale				
520601	Grey	1.00	3.80		

1	2	3	4	5	6
520602	Dyed	1.00	6.90		
5209	Woven Fabric of cotton, containing 85% or more by weight of cotton, weighing more than 200 g/m2				
520901	Grey	1.30	7.00		
520902	Dyed	1.30	9.20		
520905	Denim fabric	1.60	8.30		
520906	Denim fabric containing 1% or more by weight of spandex / lycra / elastane	1.7	9.90		
5211	Woven fabric of cotton, containing less than 85% by weight of cotton, mixed mainly or solely with man-made fibres, weighing more than 200 g/m2				
521101	Grey	1.30	7.10		
521102	Dyed	1.30	7.20		
521103	Denim fabrics blended with MMF	1.70	9.90		
5212	Other Woven Fabrics of Cotton				
521201	Grey	1.30	5.70		
521202	Dyed	1.30	8.70		
5407	Woven Fabric of Synthetic filament yarn				
540701	Woven fabric containing 85% or more by weight of Synthetic Filament Yarn (Grey)	1.50	11.20		
540702	Woven fabric containing 85% or more by weight of Synthetic filament yarn (Dyed)	1.80	15.80		
5503	Synthetic staple fibres, not carded, combed or otherwise processed for spinning	1.50	-		
5504	Artificial staple fibres, not carded combed or otherwise processed for spinning	1.50	-		
5509	Yarn (other than sewing thread) of Synthetic staple fibre not putup for sale				
550901	Yarn containing 85% or more by weight of MMF (Grey)	1.50	3.60		
550902	Yarn containing 85% or more by weight of MMF (Dyed)	2.00	7.00		
550903	Other yarn mixed mainly or solely with cotton (Grey)	1.50	5.20		
550904	Other yarn mixed mainly or solely with cotton (Dyed)	2.00	7.10		
550905	Other yarn mixed mainly or solely with wool or fine animal hair (Grey)	1.50	12.90		
5512	Woven fabric of synthetic staple fibres, containing 85% or more by weight of Synthetic staple fibre				
551201	Grey	1.50	8.80		
551202	Dyed	1.80	11.60		

1	2	3	4	5	6
5515	Other woven fabric of synthetic staple fibres				
551501	Containing 85% or more by weight of Man-made Staple fibre and/or Man-made Filament yarn (Grey)	1.50	8.80		
551502	Containing 85% or more by weight of Man-made Staple Fibre and/or Man-made filament Yarn (Dyed)	1.80	11.60		
6002	Knitted or crocheted fabric of a width not exceeding 30 cm, containing by weight 5% or more of elastomeric yarn or rubber thread, other than those of heading 6001				
600201	Of Wool	3.20	53.30	5.00	-
600202	Of Man-made fibre (Grey)	1.50	6.40		
600203	Of Man-made fibre (Dyed)	1.80	11.00		
600204	Of Cotton (Grey)	1.30	7.10		
600205	Of Cotton (Dyed)	1.30	7.20		
6003	Knitted or crocheted fabric of a width not exceeding 30 cm, other than those of heading 6001 or 6002				
600304	Of Cotton (Grey)	1.30	6.30		
600305	Of Cotton (Dyed)	1.30	9.20		
6005	Warp knit fabrics (including those made on gallow knitting machines), other than those of heading 6001 to 6004				
600504	Of Cotton (Grey)	1.30	6.30		

Certain amendments were made in rates of Items of Chapters 51, 55 and 56, 58 and 60 vide Notification dated 22th January, 2018, which were made effective from 25th January, 2018.

INTEREST EQUALISATION SCHEME :

Reserve Bank of India has notified on 4th December, 2015, Interest Equalisation Scheme on Pre and Post Shipment Rupee Export Credit effective from 1st April, 2015 for five years valid upto 31st March, 2020. The rate of interest equalization @ 3% per annum will be available on exports under 416 Tariff Lines, which include readymade garments and made-ups, fabrics of all types, etc. Cost of finance in our country is very high (12% to 14%) as against 5% to 6% in China and 7% in Vietnam.

This Scheme has excluded cotton yarn and is also not available to the merchant exporters. Industry has pointed out that cotton yarn exports are currently passing through difficult market conditions, especially in China and this product should be covered under the Scheme to enable yarn exporters to reduce costs and remain competitive in export market.

FOREIGN EXCHANGE MANAGEMENT (EXPORT OF GOODS & SERVICES) REGULATIONS :

New regulations for export of Goods & Services were notified by Reserve Bank of India on 12th January, 2016. Master Directions were issued on 12th May, 2016.

VALUE OF RUPEE :

During the year, there were ups and downs in the value of Rupee against US Dollar. In the beginning of year, it was ruling at 64.50, whereas at the close of the year it was around 65.00.

Month Re/Dollar	Apl 2017 64.50	May 64.50	June 64.40	July 64.50	Aug 64.00	Sep 64.40	Oct 65.10	Nov 64.90	Dec 64.20	Jan 2018 63.60	Feb 64.40	Mar 65.00
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EXPORT OF TEXTILES :

India has a share of around 5% of global textile and apparel trade. Gradually India should stop exporting cotton fibre and then yarn and fabrics. It should become a net exporter of finished products only.

Export of textile products, including garments, has the largest share in the exports from the Country. The details of exports of textiles and clothing (including silk, jute and handicrafts) and their percentage shares in the total export of all commodities since 2010-11 are given below :-

Year	Export of all Commodities		Export of Textiles & Clothing (includes jute, coir and handicrafts)		% Shares of textiles / clothing in total export
	Rs. Crore	US\$ Million	Rs. Crore	US\$ Million	
2010-11	1142921.92	250750.75	124706.23	27359.87	10.91
2011-12	1465959.39	305726.67	157237.46	32791.76	10.70
2012-13	1634318.84	300150.38	170240.00	31259.00	10.40
2013-14	1905011.09	314877.87	224238.00	37064.00	11.80
2014-15	1896348.42	310114.21	227161.00	37148.00	12.00
2015-16	1714424.00	261904.00	237393.00	36265.00	13.80
2016-17	1854096.00	276360.00	253734.16	37820.00	13.70
2017-18	1952169.00	302840.00	243964.44	37736.19	12.49

The Government has trimmed the Textile and Clothing export target of US\$ 45 billion for the year 2017-18. The one of the reasons for lower exports in last fiscal is demand from China – especially for cotton and yarn – was tepid and recovery in the developed markets like US and EU remained fragile. China has imposed 3.5% import Duty on yarn exported from India under Asia Pacific Trade Agreement, while duty free access is given to Vietnam. Bangladesh and Pakistan – also have zero duty access to some of the key markets – which was added to the woes of our exporters. For example, Bangladesh exports products at zero duty to US and EU, which together accounts for 65% of our supplies. Textile Ministry has to seek quick resolution of India-EU Free Trade Agreement, which would pave way for duty free access to the EU market.

PRODUCTWISE EXPORTS :

The details of exports of all textile items (Chapter Headings 50 to 63) during last three years are given below :-

Value Rs. in Crore

Item	2014-15		2015-16		2016-17	
	Qty.	Value	Qty.	Value	Qty.	Value
Fibre	2072.27	16048.92	2430.98	17630.91	2217.38	16147.63
Fibre Waste	61.96	534.01	59.24	490.45	94.49	764.02
Yarn	2200.42	36594.03	2246.71	35374.47	2255.09	35293.21
Fabric	4189.39	30267.08	3989.43	29934.15	4005.09	28959.49
RMG	4.02	103020.61	4.02	111177.79	4.39	117202.39
Made-ups	843.54	28405.77	874.05	30012.81	909.21	31668.85
Others		15417.57		15934.30		15715.56
Total		230287.99		240554.88		245751.15
Growth %		1.13		4.46		2.16

Quantity of Fibre, Fibre Waste, Yarn, Made-ups are in Million Kgs., whereas Fabric is in Million Sq.mtrs. and RMG in Million Nos., Others have within sub-group different units.

As per information available from the website of Ministry of Textiles, (as on 15th May, 2018) export of all textile items during 2017-18 vis-à-vis in 2016-17 have been as under:-

Sr. No.	Item	Value Rs. Million			Value US\$ Million		
		2016-17	2017-18	% Variance	2016-17	2017-18	% Variance
1	Cotton incl.Waste	109073.22	121558.41	11.45	1625.77	1880.25	15.65
2	MM Fibre	39873.77	37835.12	-5.11	594.33	585.23	-1.53
3	Other Fibres	996.57	1061.31	5.24	14.85	16.41	9.10
4	Cotton Yarn	224059.92	220839.64	-1.44	3339.69	3415.93	2.28
5	Cotton Fabric, Made-ups	349522.34	353016.65	1.00	5209.75	5460.43	4.81
6	MM Yarn, Fabric, Made-ups	305588.16	311039.39	1.78	4554.90	4811.13	5.63
7	Woollen Yarn, Fabric, Made-ups	11726.08	11978.60	2.15	174.78	185.29	6.01
8	Other Textile Yarn, Fabric, Made-ups	28169.30	29805.76	5.63	419.87	461.04	9.62
9	RMG – Cotton	570898.88	548316.11	-3.96	8509.45	8441.30	-0.33
10	RMG – MMF	337640.11	305823.04	-9.42	5032.64	4730.44	-6.00
11	RMG – Others	256051.24	222243.93	-14.29	3816.54	3437.66	11.05
12	Carpets	99920.91	92143.05	-7.78	1489.36	1425.26	-4.30
13	Jute	21568.37	22473.87	4.20	321.49	347.62	2.65
14	Other Items	173065.13	161509.55	-6.68	2579.60	2498.21	-3.15
	TOTAL	2528154.23	2439644.42	-3.50	37683.03	37736.19	0.14

In US\$ terms, the maximum decrease in exports in 2017-18 was recorded in Man-made Fibre (1.53%) and RMG MMF (6.00%).

COUNTRYWISE EXPORT OF ALL TEXTILE ITEMS :

The details of major Country-wise export of all textile items (Chapter Headings 50 to 63) during last four years are as under :-

Figures in Million.

Sr. No.	COUNTRY	2013-2014		2014-2015		2015-2016		2016-2017	
		Rs.	US\$	Rs.	US\$	Rs.	US\$	Rs.	US\$
1	USA	406136	6713	437686	7158	492584	7525	509958	7601
2	U Arab Emts	161746	2673	230699	3773	291346	4451	318784	4752
3	U Kingdom	137459	2272	151776	2482	156896	2397	147345	2196
4	Bangladesh	116918	1933	120832	1976	136926	2092	143002	2131
5	GERMAN F REP	1102221	1822	111680	1826	110122	1682	117435	1750
6	CHINA P RP	249321	4121	158855	2598	128570	1964	112694	1680
7	SPAIN	50051	827	55501	908	63114	964	66178	986
8	FRANCE	58834	972	67365	1102	67324	1028	66069	985
9	ITALY	52880	874	52698	862	50917	778	54258	809
10	NETHERLAND	39176	648	39350	643	37320	570	42945	640
11	SRI LAKHA	34856	576	43960	572	38991	596	41937	625
12	PAKISTAN	38944	644	23768	389	65568	1002	41569	620
13	TURKEY	52532	868	45062	737	40618	620	39801	593
14	SAUDI AARAB	28121	465	27240	445	28764	439	39333	586
15	CAHADA	27224	450	26915	440	31388	480	29722	443
16	AUSTRALIA	19421	321	22320	365	25152	384	26845	400
17	BRAZIL	35281	583	31092	508	20072	307	26693	398
18	VIETNAM SOC REP	26483	438	33132	542	23799	364	26223	391
19	BELGIUM	33361	551	30552	500	25933	396	25756	384
20	JAPAN	25605	423	24913	407	24454	374	24510	365
21	OTHER COUNTRIES	568478	9396	576483	9427	545693	8336	556430	8294
	GRAND TOTAL	2273048	37570	2302879	37660	2405551	36749	2457514	36629

Source : Monthly Statistics of the Foreign Trade of India, DGCIS, Kolkata.

From the above table, it would be observed at USA, UnitedArab Emirates, UK, Bangladesh, German Federal Republic, China, Spain, France, Italy, Netherland, Sri Lanka, etc. are major importers of our textile products.

EXPORT PERFORMANCE OF MEMBER-MILLS :

Majority of our Member-Mills are exporting yarn, while some are exporting woven fabrics, knitted fabrics and knitted garments too. The overall export performance of Member-Mills (those who reported) since 2010-11 has been as under :-

Value Rs. in Lakh					
Year	Yarn	Woven/Knitted Fabrics	Knitted Garments	VSF Etc.	Total
2010-11	102019.36	16454.75	29865.18	31435.00	179774.29
2011-12	167583.68	20094.89	23938.25	39689.00	254305.82
2012-13	196772.92	60327.71	22497.01	44223.00	323820.64
2013-14	232911.25	63160.46	34170.33	44461.00	374703.04
2014-15	194939.00	41545.00	44059.33	45555.00	326098.00
2015-16	245134.00	38309.00	66594.00	42083.00	392120.00
2016-17	202248.00	39665.00	62825.00	56536.00	361274.00

The above figures would have been much higher had all the Member-Mills reported the export data to the Association. Member-wise details of exports during 2017-18 are given in Annexure-VIII and IX to this Report.

STUDY ON ENHANCING EXPORT COMPETITIVENESS IN TEXTILE SECTOR :

The Ministry of Textiles asked ICRA Management Consulting Services Ltd. to study and prepare a report of this subject to review the current support provided to Textile & Apparel Industry and assess their compatibility with Agreement on Subsidies and Countervailing Measures (ASCM). The Final Report was submitted by them on 14th December, 2016. Some of the highlights of the Report regarding incentives are as under :-

- At the request made by USA, WTO computed India's export competitiveness with regard to Textile products and it was communicated to India in 2010 that Indian Textile and Apparel Industry has achieved competitiveness.
- MEIS is an incentive that is export contingent and EPCG is also contingent as export performance and thus qualify as export subsidies and have to be phased out by 2018 only for products falling under Section XI.
- EOUs are permitted to sell 50% of FOB value in DTA, which confers benefit to the firms by way of concessional duties and thus it can be deemed as prohibited subsidy. The Scheme can be continued by removing the permission to sell in DTA at concessional duties.
- AITUFS, SITP, ISDS and Apparel Park Incubation Support Schemes can be continued.

Report states that as long as subsidy is widely available and not contingent to exports or incentivizing imports substitution, it is unlikely to be taken up by the WTO. Also, if the total value of subsidy per unit is less than 2% of overall exports, then it is not to be taken up for investigation by the WTO. Subsidy provided should be production linked, widespread across industries and regions and consistence across States. Production linked incentives are neither actionable nor prohibited.

IMPORT OF TEXTILES IN THE COUNTRY :

With the removal of quantitative restrictions on imports, Indian markets are flooded with imported textile products. India's textile imports have gone up substantially. The imports in Rupee terms increased by 14.75% in 2014-15, by 4.15% in 2015-16 and by 5.83% in 2016-17 year-on-year basis.

The growth pattern of import of textile products (Chapters 50 to 63) in the Country for last three years are as under :-

Value Rs. in Crore

Item	2014-15		2015-16		2016-17	
	Qty.	Value	Qty.	Value	Qty.	Value
Fibre	565.67	8966.82	618.09	8701.60	927.35	2678.89
Fibre Waste	44.47	196.75	41.87	218.04	39.79	187.14
Yarn	353.48	6802.49	346.86	6499.21	337.31	5929.18
Fabric	1936.47	7767.52	2161.42	8387.04	2194.37	7765.21
RMG	0.21	3206.51	0.28	3809.28	0.30	3995.02
Made-ups	640.72	3035.23	726.19	3593.85	687.90	2890.20
Others	-	6805.25	-	7099.06		7099.48
Total		36780.52		38308.08		40545.12
Growth %		14.75		4.15		5.83

Quantity of Fibre, Fibre Waste, Yarn, Made-ups are in Million Kgs., whereas Fabric is in Million Sq. mtrs. and RMG in Million Numbers. Others have within sub-groups different units.

Imports during the year 2017-18 in respect of Textile items were valued at Rs.472015.70 million recording an increase of 11.74% over 2016-17.

Sr. No.	Item	Value Rs. Million			Value US\$ Million		
		2016-17	2017-18	% Variance	2016-17	2017-18	% Variance
1	Cotton incl.Waste	63389.24	63061.56	-0.52	944.84	975.43	3.24
2	MM Fibre	25541.82	23782.70	-3.09	365.80	367.87	0.56
3	Other Fibres	30015.51	31147.30	3.77	447.40	481.78	7.68
4	Cotton Yarn	3508.20	2053.81	41.46	52.29	31.77	-39.25
5	Cotton Fabric, Made-ups	25005.24	30439.47	21.73	372.71	470.83	26.33
6	MM Yarn, Fabric, Made-ups	107778.56	122238.42	13.42	1606.48	1890.77	17.70
7	Woollen Yarn, Fabric,Made-ups	2958.22	5107.58	72.66	44.09	79.00	79.17
8	Other Textile Yarn, Fabric, Made-ups	50737.94	65987.14	30.05	756.27	1020.68	34.96
9	RMG – Cotton	19354.32	22611.87	16.83	288.48	349.76	21.24
10	RMG – MMF	11796.51	15075.53	27.80	175.83	233.19	32.62
11	RMG – Others	8817.76	12146.60	37.75	131.43	187.88	42.95
12	Carpets	4791.03	6047.79	26.23	71.41	93.55	31.00
13	Jute	16357.23	11693.93	-28.51	243.81	180.88	-25.81
14	Other Items	53354.55	60622.36	13.62	795.27	937.70	17.91
	TOTAL.	422406.33	472015.70	11.74	6296.11	7301.09	15.96

In the pre-GST period, import of textile was attracting Basis Custom Duty (BCD) plus Counter Veiling Duty (CVD) and Special Additional Duty (SAD) . However, in Post-GST period CVD and SAD have been withdrawn and IGST is fully adjustable against GST liability on sale of imported products. This change has adversely affected the entire value chain forcing the garment exporters to source their fabric requirement from China, Indonesia, Thailand etc. Thus our products have become uncompetitive.

TAXATION

CENTRAL TAXES :

PRE-BUDGET MEMORANDUM 2018-19 :

The Confederation of Indian Textile Industry (CITI) and Federation of Indian Chambers of Commerce & Industry (FICCI) requested us to provide inputs for Pre-Budget Memorandum 2018-19 to be submitted by them to the Union Finance Minister.

On 3rd November, 2017, the Association submitted following suggestions for incorporation in Pre-Budget proposals for the year 2018-19 to be submitted by Confederation of India Textile Industry, Federation of Chambers of Commerce and Industry and ASSOCHAM.:

- Reduction of GST on Man Made Fiber from 18% to 12%, so as to fully set off the tax paid at Yarn stage.
- Exemption from payment of GST on export of goods.
- Allow setoff of IGST paid on imports for utilization of MEIS licenses.
- Extend period of payment under Section 16(2) of the CGST from 180 days in case of capital goods for availing input tax credit.
- Import duty of apparel grade wool be with-drawn .
- In view of heavy increase in spinning capacity as compared to availability of Handlooms, the Hank Yarn Obligation be reduced from the present 40% to at least 20%.
- Sufficient provision be made in the Budget for 2018-19 to take care of old left out cases and the current dues under Technology Up-gradation Fund Scheme.
- In view of lower interest rates in competing Countries, Interest Equalization of 3% should be provided in respect of yarn export.
- 2% MEIS benefits should be extended to Spinning Sector at par with other textile products, which will boost exports of yarn and liquidate high yarn inventory with the mills.
- Rate of Corporate Tax should be reduced to 25% in all cases without any surcharge to make it comparable with other developing Countries.

ECONOMIC SURVEY 2017-18 HIGHLIGHTS :

The Economic Survey 2017-18 was presented in the Parliament on 31st January, 2018. Some of the highlights of the Economic Survey regarding textiles and apparels are as under :-

The Textiles and Apparels Sector has tremendous potential for growth in exports and employment, particularly, women's employment. The sector witnesses a historic opportunity with China losing market share in clothing exports due to rising labour costs. However, India has not been able to leverage this opportunity due to India's competitors i.e. Bangladesh, Vietnam, Ethiopia having duty access to markets of EU and USA; high domestic taxes on manmade fabrics vis a vis cotton fabrics; stringent labour laws; and high logistics cost.

To address some of these constraints, the Cabinet announced a Rs.6000 crore package for the Apparel Sector on 22nd June, 2016. Major components of the package included enhanced subsidy under Amended Technology Upgradation Fund Scheme for concessional import of machinery from 15 percent to 25 percent (conditional on firms generating requisite employment); implementation of Rebate of State Levies on Export (ROSL) for state levies, which were not refunded through Duty Drawback earlier; Government to bear 12 percent of the employers' contribution of the full EPFS for new workers; increasing overtime caps in line with ILO norms; and introduction of fixed term employment.

The Scheme was implemented since November, 2016. In March, 2017, the first installment of Rs. 400 crores was released, while in May 2017 the second installment of Rs. 1554 crore was released from Ministry of Textiles to Central Board of Excise and Customs (CBEC) for Duty Drawbacks.

The Government has in December, 2017 approved the Scheme for Capacity Building in Textile Sector (SCBTS). The Scheme will be applicable from 2017-2018 to 2019-2020 with an outlay of Rs.1300 crore. It shall have the National Skill Qualification Framework (NSQF), compliant training courses, with funding as per the common norms notified by Ministry of Skill Development. It was noted that since its implementation in June, 2016, the package did have a positive

impact on the exports of Ready Made Garments (RMG) of Manmade fibres, while it did not have a statistically significant impact on the RMG of other natural fibres, except wool. The impact of the package increased over time and did not show any sign of attenuation.

UNION BUDGET 2018-19 : HIGHLIGHTS :

The Hon'ble Finance Minister presented Budget for 2018-19 in the Parliament on 1st February, 2018. The thrust of Budget was on agriculture sector, rural economy, health care, MSMEs, and infrastructure. While presenting the Budget, the Finance Minister informed that implementation of Goods and Services Tax by the Government will have great impact on economy and lives of people. The highlights of the Budget impacting Textile Industry are :-

- An outlay of Rs. 7148 crore for Textile Sector.
- Major allocation under ATUFS increased to Rs. 2300 crore for 2018-19 from Rs. 2013 crore in 2017-18.
- Fund allocation under ROSL increased from Rs. 1555 crore in 2017-18 to Rs. 2164 crore in 2018-19.
- Custom Duty on Silk, fabric increased from 10% to 20% to protect domestic manufacturers.
- Funds for Interest Equalisation Scheme more than doubled to Rs. 2500 crore in 2018-19.
- Corporate Tax of 25% extended to Companies with turnover upto Rs.250 crore in financial year 2016-17.
- Social Welfare Surcharge of 10% on imported goods.
- Government to contribute 12% of wages of new employees for Employees Provident Fund Scheme for next three years.
- Health and Education Cess of 4% introduced in place of E&HE Cess of 3%.

TRADE NOTICES, CIRCULARS, STANDING ORDERS, PUBLIC NOTICES, ETC. :

Trade Notices, Circulars, Public Notices, Standing Orders, etc. issued by the Commissioner, Customs and Central Excise, Indore/Bhopal, Central Board of Excise & Customs or the Ministry of Finance, Director General of Foreign Trade, Reserve Bank of India, etc., during the year in relation to Textile Industry were circulated to Member Mills, as soon as these were received/known.

STATE TAXES :

The State Budget was presented in the Assembly on 28th February, 2018, but it did not provide any direct relief the Textile Industry. Only important provisions in the Budget included the following :-

- In case of amalgamation/merger of the Companies, the Registration charges payable on sales documents would be limited to 0.8% of Stamp Duty.

The following position of various State Taxes continued upto 30th, June, 2017.

ENTRY TAX ON RAW MATERIAL :

- Cotton (Ginned or un-ginned) included at Item No. 10 of Schedule – I of M.P. Entry Tax Act and exempted from levy of Entry Tax w.e.f. 1st April, 2010.
- Cotton waste included at Item No.10 in Schedule I of Madhya Pradesh Entry Tax Act, 1976 and exempted from levy of Entry Tax w.e.f. 1st April, 2012 on regular basis.
- Man-made fibres also included at Item No. 10A of Schedule I w.e.f. 1st April, 2013 and exempted from levy of Entry Tax on regular basis.
- Wool tops included in Schedule I of M.P. VAT Act w.e.f. 2nd July, 2009, and exempted from levy of Entry Tax.
- All types of yarn and yarn waste included in Schedule I and exempted from levy of Entry Tax w.e.f. 1st April, 2010 and 1st April, 2012 respectively.

ENTRY TAX ON CAPITAL GOODS FOR EXPANSION, ETC. :

The Plant & Machinery and capital goods purchased before start of production did not attract Entry Tax, as per Section 3 of the Madhya Pradesh Entry Tax Act.

On 20th May, 2011, the Commercial Tax Department issued a Notification exempting Schedule-II goods brought in by a registered dealer before start of production for expansion, modernization/diversification, etc., from levy of Entry Tax under Industrial Promotion Policy, 2010 (w.e.f. 1st November, 2010).

ENTRY TAX ON INCIDENTAL GOODS :

With an amendment to Schedule-II of Madhya Pradesh Entry Tax Act, purchase of Plant & Machinery attracted 2% Entry Tax, in 2012-13. This was rectified by an amendment to Section 4 of the Madhya Pradesh Entry Tax Act, 1976 w.e.f. 1st April, 2013 and Entry Tax @ 1% was payable on Plant & Machinery purchased by a registered dealer. Rate of Entry Tax on Natural Gas (including CNG) imported from other States attracted Entry Tax @ 10% w.e.f. 1st April, 2015.

CENTRAL SALES TAX ACT :

Levy of CST continues at 2%. Section 15 of the Central Sales Tax Act was amended by Finance Act, 2011 w.e.f. 16th April, 2011 increasing the rate of VAT livable on declared goods from 4% to 5%.

VAT ON COTTON :

On 3rd August, 2009, the Government of Madhya Pradesh, Commercial Taxes Department in exercise of powers conferred by sub-section (1) of section 26-A of the Madhya Pradesh VAT Act, 2002 notified "Cotton" purchased on or after the date of Notification for the purpose of said sub-section. Impact of this Notification is that the Mills purchasing Cotton have to deduct the amount of VAT @ 5% (4% upto 15th April, 2011), while making purchases from dealers within the State of Madhya Pradesh and the payment is to be made to the seller of cotton net of tax. The amount of tax so deducted is retained by a dealer making exports.

INPUT TAX REBATE :

As per amendment to Section 14(1) yarn consumed in manufacture of fabric qualified for input tax rebate of the amount of such input tax, which is in excess of 2% w.e.f. 1st April, 2013. Section 14(1)(6) was amended with effect from 5th April, 2016 in the case of inter-State sale of purchased material, the Input Tax Rebate to be limited to the amount of input tax or CST, whichever is less.

VAT ON RLNG :

- RLNG used by industries for captive power generation (Section 14(1A)) was eligible for Input Tax Rebate of 8% (13% - 5%) w.e.f. 1st August, 2009.
- As per Section 14(1AA) w.e.f. 1st April, 2013, if the natural gas was used as fuel in manufacture or processing of goods, then full input tax rebate is allowed.

VAT ON YARN :

Rate of VAT on yarn sold within the State was 5%.

VAT ON FABRICS :

The State Government exempted Fabrics from levy of VAT w.e.f. 1st April, 2006, by an amendment to Schedule I (Item No.48) of MP VAT Act, 2002.

VAT ON OTHER ITEMS :

- The general rate of VAT was raised from 4% to 5% (except for goods of special importance) w.e.f. 1st August, 2009. The VAT rate of 12.5% was increased to 13% w.e.f. 1st April, 2010 and to 14% w.e.f. 1st April, 2015.
- Rate of VAT on Steam reduced to 5% (from 13%) w.e.f. 1st April, 2015.
- Rate of tax on raw material used in manufacture of tax-free goods and in case of stock transfer outside the State increased from 4% to 5% w.e.f. 1st April, 2015.

MANDI TAX ON COTTON :

The State Government reduced the rate of Mandi Tax applicable to un-ginned cotton brought in any Krishi Upaj Mandi either from within the State or from outside the State from Rs. 2 per Rupees one hundred to Rs. 1 per Rs. one hundred. This exemption has been extended upto 7th January, 2019.

GOODS & SERVICES TAX IN THE TEXTILE SECTOR :

The Goods & Services Tax (GST) was introduced in the Country with effect from 1st July, 2017. The tax is to be equally apportioned as CGST and MPGST between Centre and State. In inter-state sale this tax is levied as IGST. The rates of GST applicable to Textile Sector are as under:-

Sl.No.	Product	Rate %
1	Cotton	5
2	Cotton Cone Yarn	5
3	Cotton Hank Yarn	5
4	Cotton Waste	5
5	Cotton Fabric	5 (No refund of ITC accumulated)
6	Cotton Garment/ Made-Ups Without Brand name having retail sale price below Rs.1000 (per piece)	5
7	Cotton Garment/ Made-Ups with brand name having RSP of Rs.1000 and above (per piece)	12
8	Polyester Garment/ Made-Ups Without Brand name having retail sale price below Rs.1000 (per piece).	5
9	Polyester Garment/ Made-Ups With brand name having retail sale price of Rs.1000 (per piece) and above.	12
10	Polyester fibre & waste	18
11	Polyester Yarn.	12
12	Polyester Fabric	5 (No refund of ITC accumulated)
13	Blended Textile Products (Yarn/garments/ made-ups)	Cotton predominant -5 Polyester predominant - 12
14	Textile Machinery	18
15	Handloom Machinery	0
16	Scrip under Foreign Trade Policy	0
17	Job Work of all Textile Products (Cotton & Synthetic)	5
18	GTA Services including Transport of Cotton	5
19	Commission Agent Transaction	18
20	Testing Service	18
21	Security Service	18
22	Hank Yarn Obligation	18

The Confederation of Indian Textile Industry has made a representation to the Additional Director General, GST, Ministry of Finance and has requested to resolved the following issues.

- Refund of accumulated ITC at fabric stage.
- Reduction of GST on Man-made fibre from 18% to 12%.
- Reduction of GST on MMF raw materials (PTA, MEG and ACN) from 18% to 12%.
- Allow setting of IGST paid on import for utilization of MEIS licenses.
- Reduce GST on recycled polyester staple fibre from 18% to 5%.
- Carry forward of credit of CST, Education Cess and Krishi Kalyan Cess as input tax credit under GST regime.
- Extending period of payment for capital goods from 180 days to 360 days.
- Refund of IGST on export.
- Condition of actual payment of tax by supplier to the Government for availing tax credit should be removed.
- Allow input tax credit of GST paid on construction of Factory Buildings.

MANPOWER

INITIATIVES BY UNION MINISTRY OF LABOUR :

Ministry of Labour & Employment uploaded three Draft Codes on its website:

1. Draft Labour Code on wages – amalgamating there in Minimum Wages Act, 1948; Payment of Wages Act, 1936; Payment of Bonus Act, 1965, and Equal Remuneration Act, 1976.
2. Draft Labour Code on Industrial Relations amalgamating there-in Trade Unions Act, 1926; Industrial Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947;.
3. Draft Labour Code on Social Security & Welfare amalgamating there-in 15 Labour Laws including EPF, ESI, Maternity Benefits, Payment of Gratuity, Employees Compensation, etc.

The Association have submitted its suggestions/comments on the above Codes on 13th April, 2015, 21st May, 2015 and 17th April, 2017 respectively.

STEPS TAKEN BY MINISTRY OF TEXTILES TO PROVIDE FRESH IMPETUS TO GENERATE EMPLOYMENT :

Government has announced a special package of reforms for generation of around 1.11 crore jobs in apparel and made-ups sectors. The package includes a slew of measures, which are labour friendly and would promote employment generation, economies of scale and boost exports. Moreover, the Government is providing additional production-linked incentive of 10% under the Amended Technology Upgradation Fund Scheme (ATUFS), for promoting employment in garmenting segment. Furthermore, the Government has designed Pradhan Mantri Paridhan Rojgar Protsahan Yojana (PMRPY) to incentivize employers in the apparel sector including madeups for generation of new employment. Under the PMRPY, Government provides 12% of the employer's contribution, to Employees Provident Fund (EPF), for a period three years. Apart from the above, the Government has been implementing the Amended Technology Upgradation Fund Scheme (ATUFS), the Scheme for Integrated Textile Parks (SITP), the Integrated Skill Development Scheme (ISDS), Scheme for Capacity Building for Textile Sector (IeFkZ), the North Eastern Region Textile Promotion Scheme (NERTPS), etc., with a view to enhancing the growth of the Textile Sector and for increasing employment in the Sector.

INDUSTRIAL RELATIONS :

By and large industrial relations in the Member-Mills remained peaceful and cordial during the year.

LABOUR POLICY OF THE STATE :

The Labour Policy-2007 of the State was issued on 29th June, 2007, the highlights of which of interest to Textile Industry are as under :-

- Efforts to be made to train the workers with co-ordination of Department of Industries and Department of Technical Education for the industries.
- Considering the global competitiveness preference to be given to the industry, which can employ maximum workers and help development of ancillary industries, Extra concessions and facilities will be provided to such industries.

- Strict compliance of Provisions of Contract Labour (Regulations & Abolition) Act to be ensured.
- Provisions of MP Industrial Relations Act, 1960 to be reviewed.
- Demands raising unnecessary disputes not to be considered.
- Closure and layoff to be allowed considering the advantages and disadvantages.
- Powers to renew licenses under the Factories Act, 1948 to the factories employing upto 500 workmen to be vested with Joint Director/Deputy Director.
- The three stage inspection system to be abolished except in hazardous and most hazardous factories.
- Labour Courts to be placed under the State High Court.

THE MADHYA PRADESH LABOUR WELFARE BOARD :

From 2nd February, 2013 the rate of contribution to Labour Welfare Fund increased to Rs.10 per employee payable every six months and the employers' contribution to Rs. 30 per employee payable for every six months. The minimum employers' contribution shall not be less than Rs. 1500 for each of the half year. The employees drawing upto Rs. 10,000 p.m. have been included.

PAYMENT OF WAGES ACT, 1936 :

The Central Government has specified Rs. 24000 p.m. as the wages under section 1(6) of the Act, effective from 28th August, 2017.

The Payment of Wages (Amendment) Act, 2017 has been notified by Government of India on 16th February, 2017. Amendment to Section 6 of the Act authorizes the Appropriate Government to notify the industrial or other establishments, where the employer shall pay to every person employed in such establishments the wages only by cheque or by crediting the wages in their bank accounts.

The State Government under powers conferred in Section 6 of the Payment of Wages Act, 1936, has specified that employers of any factory or their contractors shall pay wages to the persons employed by them only by cheque or by crediting the wages in their bank accounts.

THE MINIMUM WAGES ACT, 1948 :

Shri Suresh Maheshwari, President, Maral Overseas Limited, our Dy. Chairman, was nominated on Minimum Wage Advisory Board w.e.f. 4th February, 2015.

The State Government, vide its Notification dated 29th September, 2014 revised minimum wages from 1st October, 2014. (Published in M.P. Gazette on 10th October, 2014).

Dearness Allowance based on average of All India Consumer Price Index for January-June, 2014 (241 points) was included in above revision. Any rise above this is to be compensated half yearly based on average rise in July-December and January-June Index @ of Rs. 25 per point. The Labour Department of the State revised the minimum wages payable to unskilled workers from Rs. 240.00 per day to Rs. 250.00 per day with effect from 1st June, 2015. This is inclusive of Dearness Allowance declared w.e.f. 1st April, 2015.

Thus the Minimum Wages payable to various categories of workmen w.e.f. 1st October, 2014 onwards with increase in Dearness Allowance are as under :-

w.e.f.	Highly Skilled		Skilled		Semi Skilled		Unskilled	
	p.m.	p.d.	p.m.	p.d.	p.m.	p.d.	p.m.	p.d.
1 st October, 2014	Rs. 9735	Rs.374	Rs.8435	Rs.324	Rs.7057	Rs.271	Rs.5939	Rs.228
1 st April, 2015	10035	386	8735	336	7357	283	6239	240
1 st June, 2015	10035	386	8735	336	7357	283	6500	250
1 st October, 2015	10110	389	8810	339	7432	286	6575	253
1 st April, 2016	10385	399	9085	349	7707	296	6850	263
1 st October, 2016	10485	403	9185	353	7807	300	6950	267
1 st April, 2017	10660	410	9360	360	7982	307	7125	274
1 st October, 2017	10660	410	9360	360	7982	307	7125	274
1 st April, 2018	10860	418	9560	368	8182	315	7325	282

VARIABLE DEARNESS ALLOWANCE UNDER SETHI AWARD :

For the employees of the Textile Mills, who were signatories to the submissions made to Shri P. C. Sethi, the then Chief Minister of Madhya Pradesh, the rate of Dearness Allowance changes every quarter depending upon the rise or fall in the Consumer Price Index Number. Variable dearness allowance underwent the following changes during the year 2017-18 :-

Quarter	For Indore, Ujjain, Nagda, Ratlam, Dewas, Sanawad, Khandwa and Burhanpur Centres	For Bhopal Centre
April-June 2017	Rs. (-) 97.03	Rs. (-) 104.61
July-September 2017	(+) 88.20	(+) 20.92
October-December 2017	(+) 176.41	(+) 334.75
January-March 2018	(+) 35.28	(+) 94.15
April-June, 2018	(+) 8.82	(+) 177.83

CONSUMER PRICE INDEX :

The Consumer Price Index Numbers for Industrial Workers (Base 2001 = 100) of All India and various Centers in Madhya Pradesh during the year 2017-18 have been as under :-

Linking factor to	All India	Indore	Bhopal	Chhindwara	Jabalpur
1982 series	4.63	4.73	4.83	4.03	4.53
April, 2017	277	252	269	279	275
May	278	254	269	278	275
June	280	255	271	281	277
July	285	261	279	287	281
August	285	261	282	293	251
September	285	259	280	292	282
October	287	261	281	297	283
November	288	263	285	296	285
December	286	261	284	293	281
January, 2018	288	264	291	293	288
February	287	261	288	292	288
March	287	261	288	289	287

PAYMENT OF BONUS ACT, 1965 :

The Payment of Bonus Act, 1965 was amended vide Notification dated 1st January, 2016 and amendments made applicable from the financial year 2014-15 :-

- Eligibility limit of salary or wage for payment of bonus raised to Rs. 21,000 per month (section 2 (13)).
- Ceiling of salary or wage for calculation of bonus raised to Rs. 7,000 per month or minimum wages, whichever is higher (section 12).
- Minimum bonus payable @ 8.33% of salary or wage continues.

The Association of Industries, Dewas (on behalf of various Industry Associations) filed a writ petition against retrospective amendment of Payment of Bonus Act in Indore Bench of M. P. High Court. The High Court vide its judgment dated 11th April, 2016 granted interim relief and directed that until further orders, the impugned Notification dated 1st January, 2016 of Government of India shall remain effective only from the financial year 2015-2016 and no coercive action shall be taken against the petitioner in respect of the period prior to 31st March, 2015. The High Courts of Kerala, Karnataka, Allahabad, Madras, Rajasthan, Gujarat and Bombay also passed similar orders. Union of India has filed a petition in the Supreme Court praying for transfer of all the petitions pending before different High Courts in respect of retrospective amendment of Payment of Bonus Act (w.e.f. 01.04.2014) and has prayed for vacation of stay orders as granted by different High Courts, the matter is still pending.

EMPLOYEES' COMPENSATION ACT, 1923 :

Now, the Workmen's Compensation Act, is known as Employees' Compensation Act. The salient features of the Act are :-

- The Minimum amount of compensations on death of an employee – Rs. 1,20,000.
- Permanent Disability Compensation – Rs. 1,40,000.
- Funeral Expenses – Rs. 5,000.
- Specified Rs. 8,000 as monthly wages for the purpose of Section 4(1).

By amendment dated 12th April, 2017, to Employees' Compensation Act, 1923, section 18 A, the employer has been duty bound to inform the employee of his rights under the Act, failing which the employer may be fined, which shall not be less than Rs.50,000, but which may extend to Rs.1,00,000. The amendment has been made effective from 15th May, 2017.

In the matter of Daya Kishan v/s Dynemech Systems, the Supreme Court has held that even if, a person who was returning from the place, where he was sent on an assignment, the death was "in the course of employment" and his dependents are entitled to compensation under the Employees' Compensation Act. The Compensation Commissioner and the High Court had denied compensation on the ground that the employee met with a fatal road accident, while returning after work and he was not on work. The Supreme Court has reversed this judgment.

According to Delhi High Court a murder in a road rage could be an accident under the Employees Compensation Act, if the victim was killed during the course of duty. The insurer will have to pay the compensation. It was held in the case of TATA AIG General Insurance v/s Santlal Sharma. In this case, Shri Sunny, a young driver was killed over a parking space dispute by another driver, Lucky and his aide.

EMPLOYEES' PROVIDENT FUND AND MISC.PROVISIONS ACT, 1952 :

- From 1st April, 2017, the rate of Provident Fund Administrative Charges has been reduced to 0.65% (earlier 0.85%) of pay. From 1st January, 2015, Minimum Administrative Charges under A/c. II for non-functioning establishments are now Rs. 75/- p.m. and for the operational establishments/factories, Minimum Administrative Charges are Rs. 500/- p.m. These charges have been further reduced to 0.50% of pay w.e.f. 1st June 2018. Under EDLI Scheme present Minimum Administrative Charges are Rs. 25/- p.m. for non-functional establishments/factories and for operational establishments/factories are Rs. 200/- p.m.
- Vide Gazette Notification dated 26th May, 2017, the EPF Appellate Tribunals have been axed down and now the appeals against order of EPF Authorities under Sections 7-A and 14-B will be heard by Central Industrial Tribunals.
- The Ministry of Labour & Employment, Employees' Provident Fund Organisation, has issued a number of Notification during the month of April, 2017, which include:
 - On 12th April, 2017, insertion of Para 68 BD to the Scheme allowing withdrawal of and financing from the Fund for purchase of dwelling house or flat or for construction of a dwelling house, amount to the extent of own share in full and 90% of Employers Share for a member, who has membership at least for three years.
 - On 25th April, 2017 insertion of Para 68 J and 68N in the Scheme allowing advance for illness and for handicap support equipment based on self declaration only (i.e., certificate from doctor/employer no more required).
 - On 27th April, 2017, to credit interest @ 8.65% for the year 2016-17 to the account of each member of the EPF Scheme.
- The Ministry of Labour & Employment has issued three Notification on 4th May, 2017 whereby the payments to the beneficiaries of Employees Provident Fund, Employees Pension Scheme and Employees' Deposit Linked

Insurance Scheme would be made through electronic or digital fund transfer system of any scheduled commercial bank or post office.

- The Ministry of Labour & Employment vide its Notification dated 21th July, 2017, amended the Employees' Provident Funds Appellate Tribunal (Procedure) Rules, 1997 by substituting the words "Industrial Tribunal". Thus all the appeals against orders of Commissioners of EPFO will now have to be filed with Industrial Tribunals.
- EPFO has clarified on 31st July, 2017, that under the Pradhan Mantri Rojgar Protsahan Yojna, the employees upto a salary/wage limit of Rs. 15000 p.m. will be considered without going into details of skilled, semi-skilled and unskilled.
- On 21st August, 2017 EPFO has issued a Composite Claim Form for Death Cases replacing erstwhile Form No.20, 10-D and 5-IF.
- The Employees' Provident Fund Organisation has issued following Notifications/Circulars during the month of September, 2017:
 - On 15th September, 2017 a Composite Pension Payment Order Form to replace the existing.
 - On 20th September, 2017, a new Composite Declaration Form: F-11 replacing the old form.
 - On 20th September, 2017 the revised procedure for transfer of accounts of a member on change of employment to facilitate seamless and hassle free service.
- The Employees Provident Fund Organisation (EPFO) has issued is Circular on 15th November, 2017 laying down revised procedure for auto transfer of accounts-functionally in Unified Portal/application software. This procedure will auto transfer account from the past employer, once first payment in respect of new employee is received from the present employer against the UAN flagged.
- The Ministry of Labour and Employment has issued a Notification on 15th February, 2018, where by the benefit available under Employees Deposit Linked Insurance Scheme, 1976 shall not be less than Rs. 2.50 lakh and more than Rs. 6.00 lakh. This amendment will be in force for a period of two years from the date of Notification.
- On 25th May, 2018, the EPFO has declared interest @ of 8.55% per annum to be credited to account of each member for the year 2017-18.

The Income Tax Appellate Tribunal, Bangaluru in the matter of Assistant Commissioner of Income Tax, Bangaluru V/s Dilip Ranjrekar has held that the interest earned on Provident Fund Account cumulative balance lying with the PF Authority is taxable from the date of retirement/end of employment. The interest earned on the balance retained in the Provident Fund Account after quitting employment is not eligible for exemption under Section 10(12) of Income Tax Act, 1961.

EMPLOYEES' PENSION SCHEME, 1995 :

- Minimum Pension of Rs. 1,000/- p.m. is payable in respect of a member and widow(er) / nominee / dependent parents, whereas children and orphan pension of Rs. 250/- p.m. and Rs. 750/- p.m. respectively is payable w.e.f. 1st September, 2014.
- Pensioners who left services before 23rd July, 2009 at the age of 58 years or rendering with 20 years pensionable service (contributory service) have been allowed two years bonus w.e.f. from the date of start of pension to them as per Circular dated 8th May, 2017 issued by the EPFO.
- Ministry of Labour & Employment issued a Notification on 1st April, 2016 inserting Sub-Para (4) in Para (16) providing for payment of monthly orphan pension to each orphan till such orphan attains the age of 25 years. If the orphan is suffering from mental disability or disorder or is physically crippled or disabled such pension shall be payable even beyond the age of 25 years.
- As per Gazette Notification dated 25th April, 2016, individuals who have completed 10 years of service and put off the withdrawal of pension on attaining the age of 58 years, will earn an increase of 4% in pension for each year upto 60 years (i.e., 4% in case of one completed year and 8.16% in case of two completed years).
- On 3rd March 2017, an Order has been issued introducing a Composite Claim Form in death cases to replace existing claim form F-20, 10-D and 5-IF and new Pension Claim Form 10-D seeding Aadhar Number and bank details.

- As per Circular dated 23rd March, 2017 (based on the judgement of Hon'ble Supreme Court dated 4th October, 2016), the members of the Fund, whose employers have been contributing their contribution on actual salary (exceeding wage limit of either Rs.5000 or Rs.6500) from the effective date have to be allowed the benefit of monthly pension on their actual salary on return of excess Employers Contribution drawn by them.
- The Ministry of Labour and Employment vide its Order dated 4th January, 2018 has constituted a High – Empowered Monitoring Committee for Complete Evaluation and Review of the Employees Pension Scheme, 1995.
- On 14th March, 2018 a Parliamentary Panel in its Report has asked the Government to Assess the Employees Pension Scheme, 1995 and consider a revision of the minimum monthly pension of Rs. 1000, which is too meager to full-fill even the basic needs. The Committee has also suggested that the Government should also take a policy decision to pay such workers, whose employers have not contributed towards Social Security Schemes of EPFO and ESI.

EMPLOYEES' STATE INSURANCE ACT, 1948 :

- With effect from 1st October, 2016, ESI Scheme has been introduced in all the Districts of Madhya Pradesh.
- ESI Corporation has introduced Annual Preventive Health Check-up Programme for all insured persons under ESI Scheme who are of 40 years and above age.
- Exemption limit for payment of employees contribution raised to Rs. 137 per day (from Rs.100) w.e.f. 14th June, 2016.
- Wage ceiling for ESI eligibility is Rs. 21000 p.m. (excluding overtime work) vide Notification dated 22nd December, 2016, applicable w.e.f. 1st January, 2017. According to ESI Circular dated 30th May, 2017, a person in insurable employment may go out of coverage due to enhancement of wages and may be brought under coverage subsequently. The period of interruption should also be taken as insurable employment for the purpose of term "Continuous Service".
- The Ministry of Labour & Employment vide its Notification dated 6th October, 2016, has inserted Rule 51B in Employees State Insurance (Central) Rules, 1950, reducing the rate of employer's and employee's contribution, where the Act is implemented for the first time, for a period of 24 months from the date of implementation, as detailed below:
 - Employer's Contribution : Equal to 3% of wages payable to an employee.
 - Employee's Contribution : Equal to 1% of wages payable to an employee.
 - After 24 months, the rate of contribution as provided in Rule 51 shall be applicable.
 - The contribution is to be rounded to next higher Rupee.
- The Ministry of Labour has issued a Gazette Notification on 20th January, 2017, whereby it increased period of Maternity Benefit to insured women from 12 weeks to 26 weeks, and the same would be available to both the commissioning mother and adopting mother.
- The Employees' State Insurance Corporation by its Circular dated 17th March, 2017 has clarified that in case of dire need like road traffic accident, employment injury and other life threatening emergencies, ESI beneficiary may seek direct admission at tie-up hospitals for cashless treatment. The tie-up hospitals will immediately start the stabilizing treatment and will seek permission from respective SMC Office through e-mail for continuing further treatment.
- In the case of Royal Western India Turf Club Limited v/s ESI Corporation, the Hon'ble Supreme Court has held that the casual workers are also employees as defined in Section 2(9) of the Employees' State Insurance Act, 1948.
- The ESI Corporation issued a Notification on 30th May, 2017 advising its Field Formations that a person in insurable employment, who has gone out of coverage due to enhancement of wages may be brought under coverage subsequently with the increased wage ceiling w.e.f. 1st January, 2017. The period of interruption should be taken as insurable employment for the purpose of term "continuous service". Therefore, such insured

persons will be eligible for getting benefit of extended sickness and super speciality treatment provided he/she fulfills the other eligibility conditions.

- The ESI Corporation has issued a Memorandum on 5th July, 2017 regarding determination of contribution under Section 45-A of ESI Act, where the employer has defaulted in payment of contribution and submission of prescribed return or where inspection of records for the period involved has not been conducted. The wages in such cases may now be assumed at Rs.11550 per month per employee for determining the contribution for all wage period commencing on or after 1st January, 2017.
- The Employees State Insurance Corporation has clarified on 20th March, 2018 that the stipulated nine month period is applicable only for the commencement of first benefit period in respect of the person, who becomes an employee within the meaning of ESI Act for the first time. A person who has already been an employee under the Scheme but ceased to be an employee either due to his wages going above the coverage limit or due to any other reason, once re-enters as an employee, second time and there after he is not becoming an employee within the meaning of the Act for the first time. Therefore, the stipulation of completing nine months period would not be applicable to him.
- ESI Corporation has clarified on 29th May, 2018 that in cases of Maternity Benefit, if the contribution has been paid for minimum 70 days in two contribution periods immediately prior to the expected/exact date of delivery the maternity benefit will be available. Even if, this condition has been fulfilled in one or another contribution period, benefit will be available.

RAJEEV GANDHI SHRAMIK KALYAN YOJNA :

“Rajeev Gandhi Shramik Kalyan Yojna” introduced w.e.f. 1st April, 2005 under which persons insured under ESI Act on leaving insurable employment in-voluntarily or on account of closure of the factory or establishment, retrenchment or permanent invalidity arising out of non-employment injury, after being in an insurable employment and contributed under the Scheme are entitled to claim unemployment allowance .

ESIC has amended certain provisions of this Yojna with effect from 6th September, 2016, which are as under :

- Eligibility of payment of contribution has been reduced from three years to two years.
- Duration of unemployment allowance has been increased from 12 months to 24 months with 50% of last average daily wages payable during first 12 months and 25% of last average daily wages payable from 13th to 24th month.
- Limitation period for submission of claims for benefits has been increased from 9 months to 12 months.
- The IP/IW can undergo short duration courses upto six months to upgrade his/her skill from the advanced Vocational Training Institutions under DGET, MOL&E, Government of India.

INDUSTRIAL DISPUTES ACT, 1947 :

The Madhya Pradesh Labour Laws (Amendment) and Miscellaneous Provisions Act, 2015 issued on 27th November, 2015 have provided as under:-

- For retrenchment, three months notice to a workman to be retrenched is now required as against one month's notice earlier (Section 25F).
- At the time of retrenchment a worker has to be paid 15 days average pay for every completed year of continuous service or any part in excess of six months or an amount equivalent to three months average pay, whichever is more (Section 25F).
- Now the provisions of Chapter V-B will apply to an establishment in which not less than 300 workmen are employed on an average per working day for preceding twelve months. Earlier it was applicable in case of establishments employing not less than one hundred workmen (Section 25K).

MADHYA PRADESH INDUSTRIAL EMPLOYMENT (STANDING ORDERS) ACT, 1961 / RULES, 1963 :

- From 27th August, 2008, a workman, who is required to work on any of the paid holidays, is to be given a substituted holiday in lieu of his working or he will be entitled to double the normal wage rate for extra work done.
- With effect from 29th August, 2008, the State Government has increased paid holiday to nine by adding Vishwakarma Jayanti.
- Labour Department of the State vide Notification dated 28th June, 2014, has revised upwards retirement age of workmen from 58 years to 60 years by amending serial No. 14-A in Annexure to M.P. Industrial Employment (Standing Orders) Rules, 1963 with effect from 25th October, 2014. However, this Act and the Rules do not apply to Micro Industries, and will apply to establishments employing more than 50 workmen.
- The Ministry of Labour and Employment has issued a Notification on 16th March, 2018 notifying amendments to Industrial Employment (Standing Orders) Central Rules, 1946 introducing 'fixed terms employment' category of workmen in the industrial/ manufacturing sector. Fixed term employment is category of workmen, who are employed on a contract basis for fixed period. Thus their services will be automatically terminated as a result of non-renewal of the contract and it will not be construed as termination of employment. The facility will assist the industry to employ workers in the sector, which are of seasonal nature and witness fluctuation of demand and hence require flexibility in employing workers.

As per reports on seeking Legal Opinion the Law Ministry has informed that the provision of Industrial Employment (Standing Orders) Act are independent statutory provisions, with requirement under any other law not impacting these. In sum, workers hired under fixed term contract will be entitled for gratuity from employer, whenever, their contract ends, even if, they have not completed five years of continuous service.

TRADE UNIONS ACT, 1926 :

- In the matter of All Escorts Employees' Union v/s State of Haryana, the Supreme Court has held that the Bye-laws of the Union cannot be amended to allow erstwhile employees of the group to continue as members, even if they pay subscription fees. The various provisions of the Trade Union Act implicitly confine the membership to those, who are workmen of the industry, where they are employed.

FACTORIES ACT, 1948 :

- The State Government vide Order dated 23rd June, 2011, allowed employment of women workers in all the shifts in the Textile Industry (including in night shifts from 10:00 P.M. to 5:00 A.M.). State Government has notified on 4th June, 2016 conditions for ensuring Safety of Women Workers required to work between 8.00 PM to 6.00 AM.
- The State Government has Notified on 27th November, 2015 The Madhya Pradesh Labour Laws (Amendment) and Miscellaneous Provisions Act, 2015 whereby – the power given to the Chief Inspector to exempt factories from provisions of Sections 51, 52, 54 and 56 has been withdrawn (Section 65(2)).
- An adult worker may be allowed to work more than 48 hours in a week (Section 65(3)) subject to the following :-
 - a) Total number of hours in a day shall not exceed twelve and the spread over inclusive of interval of rest shall not exceed thirteen hours in a day.
 - b) Total number of working hours in a week including overtime shall not exceed 60 hours.

- c) No worker will be allowed to work overtime for more than seven days at a stretch and total hours of overtime in a quarter shall not exceed one hundred and twenty five hours.
- Every worker who works in a factory for 180 days in a calendar year (Section 79) will be allowed during the same calendar year leave with wages :
 - a) One day for every 20 days of work performed to an adult worker.
 - b) One day for every 15 days of work performed to a child worker.

The working of 180 days will include days of layoff, maternity leave to female workers (not exceeding twelve weeks) and the leave earned in the year prior to that in which leave is enjoyed.

- Rule 18A of the M.P. Factories Rules, 1962 amended on 9th September, 2016 to authorize any person or agency authorized by Government of India to conduct inspection subject to certain conditions.
- The Director, Industrial Health & Safety of the State vide Circular dated 3rd April, 2018 has reduced the number of documents to be submitted for approval of Drawings under the Factories Act, 1948 from three to two and for Registration under General Category Industry from five to four and for Hazardous Industries from fifteen to eight under 'Ease of Doing Business'.

BUILDING & OTHER CONSTRUCTION WORKERS WELFARE CESS ACT, 1996:

The State Government has notified on 27th November, 2015, The Madhya Pradesh Labour Laws (Amendment) and Miscellaneous Provisions Act, 2015, whereby -

- The cost of purchase, transportation and such other costs of plant and machinery meant for use in factory will not be added and will be excluded from cost of construction for levy of cess (Section 3(1)). The detailed Notification in this respect has been issued on 24th June, 2016 specifying various items to be excluded from cost of construction.
- Employer aggrieved by an Order of Assessment under Section 5 of the Act or an order imposing penalty, may file appeal to the authority Notified under the Act (Section 11(1)).

The manner in which appeal is to be preferred has been Notified on 24th June, 2016.

MADHYA PRADESH INDUSTRIAL RELATIONS ACT, 1960 :

- The State Government vide Notification dated 14th August, 2007 has removed eleven categories of industries (including textile industry) from the purview of Madhya Pradesh Industrial Relations Act, 1960 w.e.f. 17th August, 2007 by invoking section 1 (4) of this Act.

MATERNITY BENEFITS ACT, 1961 :

- The Union Ministry of Law & Justice has notified the Maternity Benefit (Amendment) Act, 2017 on 28th March, 2017. According to the amended Act, the maternity benefit available to women employees has been extended to 26 weeks from the present 12 weeks. For the establishments having more than 50 employees, the facility of crèche is also to be provided and the employer shall allow four visits a day to the crèche by women including interval for rest. Extension of twelve weeks of maternity leave to the 'commissioning mother' and the 'adopting mother' from the date the child is handed over.

PAYMENT OF GRATUITY ACT, 1972 :

- With an amendment to Payment of Gratuity Act w.e.f. 3rd April, 1997, the definition of "Employee" under section 2 (e) of the Act includes all the employees, who are employed for wages.
- With effect from 29th March, 2018, the ceiling on amount payable under the Act has been increased to Rs. 20.00 lakh.

MADHYA PRADESH PROFESSIONAL TAX ACT, 1995 :

With effect from 1st April 2018, the exemption limit of Rs.2,25,000 per annum is applicable to salaried employees .

SEXUAL HARASSMENT OF WOMEN AT WORK-PLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013 :

This is an Act to provide protection against sexual harassment of women employees at workplace and for prevention and redressal of complaints of sexual harassment and matters connected therewith. This Act and Rules made there under have been made applicable from 9th December, 2013.

APPRENTICES ACT, 1961 :

With effect from 29th September, 2014, the apprenticeship allowance payable under Rule 11 (1) clause (a) (b) (c) (d) of Apprentices Act has been revised as under :-

- During 1st year of training - 70% of Minimum Wages notified by respective State or UT.
- During 2nd year of training - 80% of Minimum Wages notified by respective State or UT.
- During 3rd year of training - 90% of Minimum Wages notified by respective State or UT.

The Government of India revised the Apprenticeship Allowance payable under Apprenticeship Rules, 1992 with effect from 19th December, 2014, as under :-

- | | | |
|--|---|------------------|
| • Graduate Apprentices | : | Rs. 4,984/- p.m. |
| • Sandwich Course (Students from Degree Institutions) | : | Rs. 3,542/- p.m. |
| • Technician Apprentices | : | Rs. 3,542/- p.m. |
| • Sandwich Course (Students from Diploma Institutions) | : | Rs. 2,890/- p.m. |
| • Technician (Vocational Apprentices) | : | Rs. 2,758/- p.m. |

On 5th April, 2017, the Government has notified amendments to Rule 7A(2) of Apprenticeship Rules, 2015 and substituted "8th class pass" by the words "5th class pass".

To enable the Prime Minister's vision of 'Skill India', the Ministry of Skill Development & Entrepreneurship has brought out Apprentices (Amendment) Act, 2014, with the intent of greater industry participation. Under the Scheme, the Government of India will share 25% of prescribed stipend subject to a maximum of Rs.1500 p.m. per apprentice with the employers. The Government will also share maximum Rs. 7500 per fresher apprentice (without any formal trade training) as a cost of basic training with Basic Training Providers. Schedule 1 of Apprenticeship Rules, 1992 has been modified by Apprenticeship (Fourth Amendment) Rules, 2017, notified on 19th July, 2017, prescribing the period of apprenticeship training and essential/desirable qualifications for various trades.

VOLUNTARY COMPLIANCE SCHEME OF THE STATE GOVERNMENT :

The State Government Notified on 7th October, 2014, Voluntary Compliance Scheme (VCS) for the benefit of industrial and commercial establishments. A unit opting for the Scheme has to file two Annual Returns and maintain only one Register in respect of 16 labour laws. Those joining the Scheme have to provide security deposit ranging from Rs.5000 to Rs.50000 in the form of Bank Guarantee/Cash Deposit for 5 years based on number of workers, which may be revised after three years. Notification regarding Alternate Forms for maintaining Registers and Records and Furnishing Returns under the Scheme has been issued on 24th June, 2016.

EASE OF COMPLIANCE TO MAINTAIN REGISTERS UNDER VARIOUS LABOUR LAWS RULES, 2017 :

The Ministry of Labour & Employment vide its Notification dated 21st February, 2017, in a move to improve Ease of Doing Business has rationalized and simplified procedures to maintain registers under nine Central Labour Laws that would lead to sharp reduction in cost and compliance by employers. 56 registers have been merged into 9 registers.

The Ministry of Labour & Employment vide its Notification dated 2nd December, 2017 has laid down detailed procedure for installation and working of a soft ware, which can be down loaded for maintenance of Registers under nine Labour Laws (Central), which include Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1966; Contractor Labour (Regulation & Abolition) Act, 1970; Minimum Wages Act, 1948; Payment of Wages Act, 1936, etc.

The Ministry of Labour & Employment has issued three Notifications on 29th December, 2017 detailed as under:-

- Rationalisation of Forms and Reports under Certain Labour Laws.
- Contract Labour (Regulation & Abolition) Central (2nd Amendment) Rule, 2017.
- Inter State Migrant Workmen (Regulation of Employment and Conditions of Service) Central (Amendment) Rules, 2007.
- Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Central (Amendment) Rules, 2017.

IMPORTANT DECISIONS OF COURTS :

The Association has been circulating quarterly the summary of important decisions of the Supreme Court and the High Courts on labour matters. Certain important decisions are also being circulated separately and gist of some others included in the Monthly News Letters.

EMPLOYMENT IN TEXTILE SECTOR :

The direct employment in the textile industry during previous six years has been as under :-

Country as whole	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
a. Public Sector Units – Central	19883	19384	19384	20790	) 20828	} 894429
S tate	57771	57456	57456	55830	) 55798	
b. Co-operative Sector	88597	88704	88721	85155	) 85373	
c. Private Sector	698311	696633	700618	712742	) 732273	
d. SSI – Units	53874	53677	54268	54710	55398	55416
e. Weaving Mills (Non-SSI)	33403	34205	34205	43783	43817	
f. EOUs	6484	4800	5174	4800	4800	
g. Power Looms	5833457	5917510	6187500	6308161		
State of Madhya Pradesh:						
a. Public Sector Units – Central	711	353	353	1184	) 1184	} 67321
S tate	1559	1559	1559	1559	) 1559	
b. Co-operative Sector	1786	1786	1786	1786	) 1739	
c. Private Sector	55146	59062	59325	62682	) 62682	
d. SSI – Units	133	310	342	340	340	340
e. Weaving Mills (Non-SSI)	420	420	420	463	463	
f. EOUs	358	353	358	358	358	
g. Power Looms	312133	316697	333562	333563		

Mill-wise Employees on Rolls as on 31st March, 2018, are given in Annexure – XII.

TEXTILE WORKERS REHABILITATION FUND SCHEME :

This Scheme provided for payment of interim relief to workers, who have been rendered jobless as a consequence of permanent closure of any particular portion or entire textile unit in which they were employed. Workers were entitled to get relief to the extent of 75% of wage equivalent in the first year, to the extent of 50% of wage equivalent in the second year and to the extent of 25% of wage equivalent in the third year. The position of disbursement under the Scheme as on 31st March, 2018, is as under :-

	India as a Whole			Madhya Pradesh		
	As on 31.03.16	As on 31.03.17	As on 31.03.18	As on 31.03.16	As on 31.03.17	As on 1.03.18
No. of Mills	95	96	96	5	6	6
Workers eligible	150563	152383	152383	19800	21620	21620
Workers paid	117696	119799	120141	19033	20854	20854
Amount paid (Rs. in Crore)	317.98	325.98	327.05	53.08	60.47	60.47

Workers of closed Hukamchand Mills Ltd., Indore, Shri Binod Mills Ltd., Ujjain (including Bimal Mills), Shree Synthetics Ltd., Ujjain, Bharat Commerce & Industries Ltd., Nagda, Hind Syntex Ltd., Dewas and Shree Sajjan Mills Ltd., Ratlam were paid under the Scheme.

The Ministry of Textiles vide its Notification of 6th April, 2017 has discontinued the Textile Workers Rehabilitation Fund Scheme (TWRFS), which came into existence with effect from 15th September, 1986. Since the benefits under Rajiv Gandhi Shramik Kalyan Yojna provides unemployment allowance for the employees covered under ESI drawing salary/ wage upto Rs.15000 p.m. as against Rs.3500 p.m. under TWRFS, this Scheme has been discontinued with effect from 1st April, 2017.

SCHEME FOR CAPACITY BUILDING IN TEXTILE SECTOR (SCBTS):

On 23rd April, 2018 the Ministry of Textile has approved this Scheme known as “समर्थ” for a period of three years from 2017-18 to 2019-20 with an outlay of Rs.1300 crore. The Scheme targets to train 10 lakh persons (nine lakh in Organised and one lakh in traditional sector) over a period of three years.

The objectives of the scheme:-

1. To provide demand driven, placement oriented National Skills Qualification Framework (NSQF) compliant skilling programmes to incentivize and supplement the efforts of the industry in creating jobs in the organized textile and relates sectors, covering the entire value chain of textiles, excluding Spinning and Weaving.
2. To promote skilling and skill upgradation in the traditional sectors of handlooms, handicrafts, sericulture and jute, and
3. To enable provision of sustainable livelihood either by wage or self employment to all sections of the society across the Country.

The Scheme will have National Skill Qualification Framework (NSQF) compliant training courses with funding norms as per the Common Norms Notified by Ministry of Skill Development and Entrepreneurship (MSDE).

The skilling programmes would be implemented through: Textile Industry/Units in order to meet the in-house requirement of manpower, Institutions of Ministry of Textiles/State Government having placement tie-ups with textile, industry/units; and, Reputed training institutions relevant to textile sector having placement tie-ups with textile industry/units.

PRADHAN MANTRI ROJGAR PROTSAHAN YOJNA :

On 9th August, 2016, Ministry of Labour & Employment Notified Scheme Guidelines for Pradhan Mantri Rojgar Protsahan Yojna. The Scheme is operational from 9th August, 2016 and provides to incentivize employers registered with EPFO for job creation by the Government paying 8.33% contribution of employers to the Employee Pension Scheme in respect of new employees having a new Universal Account Number (UAN) for a period of three years. For the Apparel Sector, the Government will also be paying 3.67% of Employees Provident Fund Contribution of such employees.

The Union Minister of Labour & Employment vide office Memorandum dated 12th April, 2018 has amended Guidelines of Pradhan Mantri Rojgar Protsahan Yojna. The Government of India will be paying full employers contribution (EPF and EPS both) as admissible from time to time with effect from 1st April, 2018 for a period of three years to the new employees and to the existing beneficiaries for their remaining period of three years through EPFO. The terminal date of registration of beneficiaries through the establishment is 31st March, 2019.

TEXTILE SECTOR SKILL COUNCIL :

The Textile Sector Skill Council (TSC) was set up on 22nd August, 2014 under the aegis of National Skill Development Corporation and promoted by CITI, 14 leading Textile Industry Associations (including MPTMA) and Export Promotion Councils. It is committed to develop World Class Skilled Manpower for all segments of Textile Industry. It is undertaking following tasks :-

- Develop Standard Work Methods for various jobs.
- Assist Textile Units to establish right kind of training infrastructure.
- Facilitate to train a pool of Certified Trainers to meet industry requirements.
- Maintain and provide trained manpower data base to the employers.
- Train existing workers.

The TSC has standardised 76 jobs, which cover more than 80% of the workers in the Industry. 3.75 lakh youth have been trained in the textile trades and 70% of the trainees have been provided the jobs.

MISCELLANEOUS :

Three Apparel Training & Design Centers (Sponsored by Apparel Export Promotion Council and Ministry of Textiles) are functioning at Indore, Dewas and Chhindwara in the State. National Institute of Fashion Technology sponsored by Ministry of Textiles is working at Bhopal since 2008.

POWER

The electricity generation, transmission, distribution, supply, captive power generation, determination of power tariff, etc., in the State is governed by the Madhya Pradesh Vidyut Sudhar Adhiniyam, 2000, which is in force with effect from 3rd July, 2001 along with provisions of the Electricity Act, 2003 and Rules made there under.

POWER TARIFF FOR 2017-18 AND 2018-19 :

The Madhya Pradesh Power Management Co. Ltd. and the three Power Distribution Companies (DISCOMs) submitted their Annual Revenue Requirements and Tariff proposals for 2018-19 to Madhya Pradesh Electricity Regulatory Commission (MPERC) in January, 2018. The Commission invited comments/suggestions on these proposals (by issuing Public Notices in Newspapers on 24th January, 2018) latest by 16th February, 2018. The Electricity Consumers' Society and the Association submitted comments/suggestions before the due date. Public hearings were held at Bhopal, Indore and Jabalpur on 23rd, 27th February, and 8th March, 2018 respectively. At Indore hearing, our case was presented by Shri S.C. Sharma. In the meantime, MPERC issued an Order on 27th March, 2018 that Tariff Order of 2017-18 including the terms and conditions shall continue to apply till Tariff for 2018-19 is issued. The MPERC Notified Tariff for 2018-19 on 3rd May, 2018, which has been made applicable from 11th May, 2018. However, the rates of 2017-18 has been maintained, without any change.

A comparative Statement of Tariff (HV-3.1:Industrial) applicable to Textile Industry for the years 2017-18 and 2018-19 is given below :-

S.No (1)	Item (2)	2017-18 (3)		2018-19 (4)	
1	<u>Fixed Charges</u> (Rs./KVA of Billing Demand) 11 KV Supply 33 KV Supply 132 KV Supply 220 KV / 400 KV Supply	Rs. 330.00 510.00 610.00 620.00		Rs. 330.00 510.00 610.00 620.00	
2	<u>Energy Charges</u> (Rs./Unit)	Upto 50% LF	In Excess of 50% LF	Upto 50% LF	In Excess of 50% LF
	11 KV Supply 33 KV Supply 132 KV Supply 220 KV / 400 KV Supply	Rs. 6.60 6.50 6.05 5.65	R 6.00 5.50 5.25 5.00	Rs. 6.60 6.50 6.05 5.65	Rs. 6.00 5.50 5.25 5.00
3	<u>Power Factor Penalty</u> For each 1% decrease in averagemonthly power factor Below 90% “ 85% “ 70%	1% on EC for each 1% fall 5% + 2% for each 1% fall Disconnection		1% on EC for each 1% fall 5% + 2% for each 1% fall Disconnection	
4	<u>Annual Minimum Consumption</u> 11 KV / 33 KV 132 KV / 220 KV	1200 Unit / KVA 1800 Unit / KVA		1200 Unit / KVA 1800 Unit / KVA	

(1)	(2)	(3)	(4)
5	<u>Billing Demand</u>	Actual Maximum KVA or 90% of CD whichever is higher	Actual Maximum KVA or 90% of CD whichever is higher
6	<u>Load factor calculation</u>	$\frac{\text{Monthly Cons.} \times 100}{\text{No. of Hrs. in Billing Month} \times \text{Demand (KVA)} \times \text{P.F.}}$	$\frac{\text{Monthly Cons.} \times 100}{\text{No. of Hrs. in Billing Month} \times \text{Demand (KVA)} \times \text{P.F.}}$
7	<u>Time of Day Surcharge/Rebate</u> 6 PM to 10 PM Surcharge 10 PM to 6 AM Rebate	Normal Rate of Energy Charges 20% of Normal Energy Charges	Normal Rate of Energy Charges 20% of Normal Energy Charges
8	<u>For excess demand :</u> a) Energy Charges b) Fixed Charges	No Extra Charge (i) 1.30 times the charges for demand over 115% of CD when MD is upto 130%. (ii) 2 times the normal charges (when MD exceeds 130%) for demand recorded over and above 30% of CD in addition to (i) above.	No Extra Charge (i) 1.30 times the charges for demand over 15% of CD when MD is upto 130%. (ii) 2 times the charges (when MD exceeds 130%) for demand recorded over and above 30% of CD in addition to (i) above.
9	<u>Delayed Payment Surcharge</u>	@ 1.25% p.m. or part thereof on outstanding amount.	@ 1.25% p.m. or part thereof on outstanding amount.

During 2018-19:

- Rebate of 60 paise per unit in Energy Charges is applicable for incremental monthly consumption with reference to consumption of 2015-16 same month.
- Rebate of Rs. 1 per unit to those Open Access Consumers, who reduce their open Access consumption as per formula given in Tariff Order page 189.
- A Rebate of Rs.2.00 per unit is applicable to Captive Consumers, who reduce their captive consumption and take power from DISCOMs as per formula given in Tariff Order page 187.
- A Rebate of Re.1.00 per unit or 20%, whichever is less would be available to new HT consumers upto financial year 2021-22 from date of connection, provided these connections are served to green field projects only.

WHEELING CHARGES & CROSS SUBSIDY SURCHARGE ON OPEN ACCESS :

The MPERC have fixed wheeling charges of 25 paise per unit for the year 2017-18 and 28 paise per unit for 2018-19. Cross subsidy surcharge, which is difference between category wise average tariff minus scenario wise cost per unit has also been prescribed. Additional Surcharge on open access consumers (Rs./unit) has been levied, which is to be worked out by dividing cost of energy surrendered due to open access by open access units.

Although the Appellate Tribunal for Electricity in its order of 24th May, 2017 has directed MPERC to prepare in a time bound schedule, a road map for reduction of cross subsidy amongst various categories of consumers, but the MPERC instead of reducing the Cross Subsidy Surcharge, has increased the same in its Tariff Orders and also levied Additional Surcharge on Open Access Consumers.

FUEL COST ADJUSTMENT CHARGE :

FCA Charge in the form of paise per unit (kwh) rounded off to the nearest integer is billed by the DISCOMs on quarterly basis. This is based on quarterly fuel cost and the cost allowed by the Commission in the Tariff Orders of 2017-18. The rates of FCA charges have been 16 paise per unit in the 1st quarter, 11 paise per unit for 2nd quarter, 7 paise per unit in 3rd and (-) 4 paise/unit in 4th quarter of 2017-18.

FCA Charges of (-) 3 paise/unit have been levied for the April-June, 2018 quarter and two paise per unit for July-September, 2018 quarter.

POWER TARIFF 2017-18 AND 2018-19 FOR SEZ, PITHAMPUR :

The MPERC vide its Order dated 7th April, 2017, has issued Tariff Order for 2017-18 for Special Economic Zone (MPAKVN), which has been continued for 2018-19. However, on 28th May, 2018 MPERC has issued a Public Notice prescribing rates for the financial year 2018-19, the comparative rates for 2017-18 and 2018-19 are as under:-

Category	2017-18		2018-19	
	Fixed Charges per KVA	Energy Charges per KVA	Fixed Charges per Unit	Energy Charges per Unit
11 KV Supply	Rs. 170.00	Rs. 3.70	Rs. 170.00	Rs. 3.70
33 KV Supply	Rs. 206.00	Rs. 3.65	Rs. 206.00	Rs. 3.65

ELECTRICAL INSPECTION FEES :

Notification dated 29th November, 2011 issued by the Energy Department prescribes inspection fees payable for various classes of installations. As per Notification dated 14th August, 2015, inspection and testing of electrical installations only above 33 Kilo Volt will be carried out.

On 27th May, 2017, the State Government has Notified Levy of Fees for Inspection and Approval of Electrical Installation (Madhya Pradesh) Rules, 2017.

ELECTRICITY SUPPLY CODE – 2013 :

The new MP Electricity Supply Code, 2013 came into force w.e.f. 30th August 2013, whereby earlier MP Electricity Supply Code, 2004 was replaced. First amendment to the Code was issued on 23rd October, 2015 in respect of requisition for new supply/additional supply of energy, reduction of contract demand, etc.

ELECTRICITY DUTY :

Madhya Pradesh Vidyut Shulk Adhiniyam, 2012 came into effect from 26th April, 2012. As per this Act, Electricity Duty @ 9% is payable by the Textile Industry on purchase from DISCOMs, but Duty @ 12% is payable on Captive Power Consumption with effect from 1st April, 2016 (earlier it was 15%). The State Government has levied Electricity Duty on open access purchase also at the rates, as if the power is purchased from DISCOMs.

The State Government as per Notification dated 14th February, 2013 exempted Captive Power Plants of industrial projects investing certain specified amount in such plants from payment of Electricity Duty for a period ranging from five years to fourteen years. However, with a view to encourage captive power users to draw electricity from DISCOMs, the Government issued a Notification on 17th November, 2017 stating that such users shall continue to be exempted from payment of Electricity Duty on increased monthly purchase from DISCOMs, as compared to same month of the Financial year 2016-17.

The State Government, Energy Department vide its Notification dated 4th March, 2014, exempted High Tension Consumers, who take new connections from Electricity Distribution Companies of the State within 5 years from 4th March, 2014 from payment of Electricity Duty as under :-

Consumer Category	Period of Exemption
33 KV	5 Years
132 KV	7 Years
220 KV	10 Years

According to one of the conditions of this Notification, the exemption will not be available for the units/consumers presently connected with the Electricity Distribution Companies of the State.

Vide another Notification dated 18th June, 2014, (amended vide Notification dated 8th January, 2016) the State Government has exempted Solar, Wind and Bio-mass based generating stations from payment of Electricity Duty for a period of ten years. Similarly small hydro based generating stations have been exempted for a period of five years.

ENERGY DEVELOPMENT CESS :

Energy Development Cess was revised to 15 paise per unit w.e.f. 10th August, 2011, payable by every generating company or a person owning or operating a captive generating plant on the total units of electricity sold or supplied to a distribution licensee or a consumer. This Cess is now not payable on self-consumption as per Notification dated 11th January, 2013. However, Cess is being levied on open access purchase of electricity as per clarification issued by Chief Engineer (Electrical Safety) & Chief Electrical Inspector on 18th June, 2013. The Association has made several representations on the subject, but the Government is silent in the matter.

M.P. INTIMATION OF ELECTRICITY ACCIDENTS (FORMS & SERVICES OF NOTICE) RULES, 2016 :

Energy Department of the State has Notified these Rules on 24th June, 2016, whereby, if any, accident occurs in connection with generation, transmission or use of electricity, the intimation of such accident is to be given to the Chief Electrical Inspector within 24 hours of such fatal or other accident.

STATE ADVISORY COMMITTEE OF MPERC :

State Advisory Committee of MPERC was reconstituted on 3rd October, 2014 and Dr. Gautam Kothari, President, Pithampur Audyogik Sangthan and Hon. Secretary, Electricity Consumers Society has been nominated as a Member for a period of three years.

RENEWABLE ENERGY PURCHASE OBLIGATION :

MPERC vide its Orders dated 31st August, 2017 amended Renewable Energy Purchase Obligation (REPO) on captive consumers and open access consumers w.e.f. financial year 2010-11. In respect of energy prescribed for purchase from Solar and Non-Solar sources, which is as under :-

Financial Year	Quantum - %		
	Solar	Non-Solar	Total
2010-11	-	0.80	0.80
2011-12	0.40	2.10	2.50
2012-13	0.60	3.40	4.00
2013-14	0.80	4.70	5.50
2014-15	1.00	6.00	7.00
2015-16	1.00	6.00	7.00
2016-17	1.25	6.50	7.75
2017-18	1.50	7.00	8.50
2018-19	1.75	7.50	9.25
2019-20	4.00	8.00	12.00
2020-21	6.00	8.50	14.50
2021-22	8.00	9.00	17.00

As per Hon'ble Supreme Court decision in the matter of Hindustan Zinc Limited v/s Rajasthan Electricity Regulatory Commission (RERC) the REPO applicability on Captive and Open Access Power Consumers is held to be well within the ambit of Electricity Act, 2003.

CONSERVATION OF ENERGY – PAT :

The Government of India has Notified on 30th March, 2012 Perform, Achieve and Trade (PAT) Scheme, under which the designated consumers are required to achieve specific energy reduction target.

Energy cost in the textile industry accounts for 5-17% of the total production cost. The Mills, which have minimum annual energy consumption of 3000 tons of oil equivalent are required to comply with the provisions of the Scheme. Initially in PAT Cycle, 90 Designated Consumers have been identified from various States, for which targets have been notified. Textile Sector has been categorized on the basis of four sub-sectors, i.e., Spinning, Processing, Composite and Fibre. Energy consumption of these Designated Consumers is about 1.20 million tons of oil equivalent/year. Textile plants are further subdivided into two categories, i.e., captive power plant based plants and non-captive, i.e., grid connected plants. By the end of first PAT Cycle, the energy savings of 0.066 million tons of equivalent is expected to be achieved by textile sector, which is 0.99% of total energy saving target under PAT Cycle-I.

The Bureau of Energy Efficiency issued a Notification in prominent dailies on 28th August, 2017 stating that all users of energy in Textile Sector having annual energy consumption of 3000 tons oil equivalent are required to file Form-I under clause (1) of Section 14 of Energy Conservation Act, 2001 for the years 2015-16 and 2016-17 duly authenticated by the Energy Manager/Chief Executive Officer of the unit by 15th September, 2017. This Notification was again repeated in the press in 19th January, 2018.

The Ministry of Power has issued – “PAT Scheme – Normalisation Document and Monitoring & Verification Guidelines – Textile Sector”. The Ministry also notified Energy Conservation (Energy Consumption Norms and Standards for Designated Consumers, Form, Time within which, and Manner of Preparation and Implementation of Scheme, Procedure for issue of Energy Savings Certificates and value per Metric Ton of Oil Equivalent of Energy Consumed) Rules, 2012, which were amended and Notified on 31st March, 2016.

ANNEXURES

Performance of Member Mills

2017-18

1. Installed Capacity	:	Annexure – I
2. Import of Raw Material	:	Annexure – II
3. Consumption of Raw Material	:	Annexure – III
4. Production of Spun Yarn, etc.	:	Annexure – IV
5. Production of Fabric	:	Annexure – V
6. Production of Apparels	:	Annexure – VI
7. Processing of Fabric	:	Annexure – VII
8. Export of Spun Yarn, etc.	:	Annexure – VIII
9. Export of Fabric, Knitted Garments, Cotton /Cotton Waste, etc.	:	Annexure – IX
10. Turnover	:	Annexure – X
11. Contribution to Exchequer	:	Annexure – XI
12. Employees on Rolls	:	Annexure – XII
13. Power Purchase and Generation	:	Annexure – XIII

ANNEXURE – I

INSTALLED CAPACITY AS ON 31ST MARCH, 2018.

Sr. No.	Name of Unit	Spindles	Rotors	Auto Looms	Knitting Machines	Stenter Machines	Others
1	Anant Spinning Mills	1,31,808	-		-	-	-
2	Bhaskar Industries Pvt.Ltd.	14,688	3,104	304	-	2	-
3	Candor Textiles Pvt. Ltd.	-	-	-	-	2	-
4	Century Denim	8,400	1,920	112	-	1	-
5	Century Yarn	24,960	-		-	-	-
6	Deepak Spinners Limited	38,736	-		-	-	-
7	Dhar Textile Mills Limited	3,840	1,296	-	-	-	-
8	Grasim Industries Limited (Staple Fibre Division)	-	-	-	-	-	V.S.F. 1,62,425 Tons
9	Hind Syntex Limited	32,928	-		-	-	-
10	Kamal Cotspin Pvt. Ltd.	31,200	-		-	-	-
11	Kohinoor Elastics Pvt.Ltd.	-	-	100	-	-	-
12	Jaideep India Pvt. Ltd.	25,200	-		-	-	-
13	Madhumilan Industries Ltd.	23,264	-		-	-	-
14	Mahima Purespun	97,728	-	-	43	-	-
15	Maral Overseas Limited	78,864	-	-	74	2	-
16	Mohini Fibres Pvt. Ltd.	-	-		-	-	Technical Textiles
17	Nahar Spinning Mills Limited	1,27,776	-		-	-	-
18	National Textile Corporation Ltd. - Burhanpur Tapti Mills	51,264	-		-	-	-
19	New Bhopal Textile Mills	48,528	-		-	-	-
20	PBM Polytex Limited	21,984	-		-	-	-
21	Pratibha Syntex Limited	58,780	1,560	-	67	3	-
22	Prem Textiles (Intl.) Pvt.Ltd.	12,384	576	40	-	2	-
23	Ramesh Textiles India Pvt.Ltd.	-	-	140	-	1	-
24	Raymond Limited	36,396	-	116	-	8	-
25	Ritspin Synthetics Limited	24,432	-		-	-	-
26	Sagar Manufacturers Pvt.Ltd.	1,15,680	-		-	-	-
27	Satyam Spinners Pvt.Ltd.	15,336	-		-	-	-
28	SEL Manufacturing Co.Ltd.	2,20,800	3,480	-	250	-	-
29	Sheshadri Industries Ltd.	34,560	-		-	-	-
30	S. Kumars Limited	5,760	-	60	-	3	-
31	Spentex Industries Ltd.	63,696	-		-	-	-
32	SRF Limited	5,662	-	16	-	-	Technical Textiles
33	STI India Limited	71,040	-	-	32	-	-
34	Swastik Spintex Ltd.	5,760	600	-	*-	-	-
35	TDB Spinners Pvt. Ltd.,	-	1560	-	-	-	-
36	Texpert Intertational	3,088	216	-	-	-	-
37	Vardhman Fabrics	1,15,008	5,640	820	-	-	-
38	Vardhman Yarns	2,95,776	-		-	-	-
39	Vikram Woollens	9,984	-		-	-	-
40	Vippy Spinpro Ltd.	-	3,168	-	-	-	-
41	Wearit Global Ltd.	33,648	-		-	-	-

ANNEXURE – II

IMPORT OF RAW MATERIAL

Sr. No.	Name of Unit (who responded)	Cotton Kgs.	MMF Kgs.	Wool Kgs.	Others
1	Anant Spinning Mills	62,82,448	9,07,375		
2	Grasim Industries Ltd. (SFD)				1,55,825 Tons Pulp
3	Hind Syntex Limited		5,52,000		8,000 Kgs. Wool/Tow 7,000 Kgs. Flax
4	Maral Overseas Limited	17,52,538	72,004		2,32,248 Kgs. Yarn
5	Nahar Spinning Mills Ltd.	49,78,369			
6	Pratibha Syntex Limited	3,56,038	33,556		
7	Raymond Limited		46,327	5,03,390	38,899 Kgs.
8	Ritspin Synthetics Limited		11,37,000		
9	SRF Limited				9,807 Tons Caprolactum
10	Vardhman Fabrics	15,70,519	35,123		
11	Vardhman Yarns	98,22,535	23,26,528		
12	Wearit Global Limited		1,79,000		55,000 Kgs. Flax

ANNEXURE – III

CONSUMPTION OF RAW MATERIAL

Sr. No.	Name of Unit (who responded)	Cotton Kgs.	MMF Kgs.	Wool Kgs.	Others
1	Anant Spinning Mills	3,84,29,039	14,37,394		
2	Bhaskar Industries Pvt.Ltd.	1,20,21,560			
3	Grasim Industries Ltd. (SFD)				1,55,756 Tons Pulp
4	Hind Syntex Limited		60,86,000		
5	Kamal Cotspin Pvt. Ltd.	33,01,551			
6	Maral Overseas Limited	2,45,48,302	15,52,075		87,13,344 Kgs. Yarn
7	Nahar Spinning Mills Limited	2,52,04,216	7,93,002		
8	National Textile Corporation Ltd. -Burhanpur Tapti Mills	31,01,000	23,66,000		
9	PBM Polytex Limited		45,78,939		
10	Pratibha Syntex Limited	1,78,46,581	46,82,942		53,29,985 Kgs. Yarn
11	Prem Textiles (International) P.Ltd.	34,18,424			
12	Ramesh Textiles India Pvt.Ltd.				10,50,000 Kgs. Yarn
13	Raymond Limited		31,23,064	33,66,552	20,33,074 Kgs.
14	Ritspin Synthetics Limited		1,07,36,000		
15	Sagar Manufacturers Pvt.Ltd.	3,09,42,356			
16	S. Kumars Limited		11,77,902		
17	Spentex Industries Ltd.	37,21,966	82,78,992		4,35,825 Kgs. Yarn
18	SRF Limited				15,967 Tons Caprolactum
19	STI India Limited	28,88,059	25,96,760		13,807 Kgs. Yarn
20	Swastik Spintex Ltd.	8,48,184			
21	Vardhman Fabrics	3,29,08,815	47,50,218		74,344 Kgs. Yarn
22	Vardhman Yarns	6,48,99,076	1,17,10,201		
23	Vippy Spinpro Ltd.	93,55,313			
24	Wearit Global Ltd.	50,35,000	21,75,000		

ANNEXURE – IV

PRODUCTION OF SPUN YARN.

Sr. No.	Name of Unit (who responded)	Cotton Kgs.	100% Non-Cotton Kgs.	Blended Cotton / MMF Kgs.	Blended Wool / MMF Kgs.	Fibre etc.
1	Anant Spinning Mills	2,86,33,720		16,08,562		
2	Bhaskar Industries Pvt.Ltd.	1,04,48,919				
3	Grasim Industries Limited (SFD)					1,54,414 Tons VSF 99,205 Tons Sod.Sulphate
4	Hind Syntex Limited		60,30,000			
5	Kamal Cotspin Pvt. Ltd.	27,37,451				
6	Maral Overseas Limited	2,21,75,957				
7	Nahar Spinning Mills Limited	1,86,89,574				
8	National Textile Corporation Ltd. - Burhanpur Tapti Mills	21,08,000		28,12,000		
9	PBM Polytex Limited	31,44,129				
10	Pratibha Syntex Limited	1,32,83,578		41,10,374		
11	Prem Textiles (International) P.Ltd.	30,21,394				
12	Ritspin Synthetics Limited	97,63,000				
13	Sagar Manufacturers Pvt.Ltd.	2,19,60,429				
14	S. Kumars Limited			11,24,289		
15	Spentex Industries Ltd.	3,943	21,09,634	92,70,344		
16	SRF Limited		2,61,35,700			26,032.69 Tons Chips
17	STI India Limited	23,54,756	17,81,941	7,96,814		
18	Swastik Spintex Ltd.	8,41,257				
19	Vardhman Fabrics	3,03,03,657		84,06,156		
20	Vardhman Yarns	2,47,52,051	11,13,370	3,19,68,639		
21	Vippy Spinpro Ltd.	83,02,924				
22	Wearit Global Ltd.	20,34,000	36,51,000			

ANNEXURE – V PRODUCTION OF FABRIC.

Sr. No.	Name of Unit (who responded)	Woven			Knitted Kgs.
		Cotton Mtrs.	Blended/ Non-Cotton Mtrs.	Blended/ Wool/MMF Mtrs.	
1	Bhaskar Industries Pvt. Ltd.	3,44,52,617			
2	Maral Overseas Limited				43,17,139
3	Pratibha Syntex Limited				5,26,50,000
4	Prem Textiles (International) P.Ltd.	1,82,60,545			
5	Ramesh Textiles India Pvt.Ltd.	5,25,000			
6	Raymond Limited		55,71,339	92,48,296	
7	S. Kumars Limited			35,17,960	
8	SRF Limited				19,583.26 Tons
9	STI India Limited				5,09,722
10	Vardhman Fabrics	5,32,33,749	6,87,82,627		

ANNEXURE – VI PRODUCTION OF KNITTED GARMENTS.

Sr.No.	Name of Unit (who responded)	No. of Pieces
1	Pratibha Syntex Limited	4,31,10,000
2	Prem Textiles (International) Pvt. Ltd.	25,05,360

ANNEXURE – VII PROCESSING OF FABRIC.

Sr. No.	Name of Unit (who responded)	Quantity
1	Maral Overseas Limited	47,41,746 Kgs.
2	Pratibha Syntex Limited	57,62,550 Kgs.
3	S. Kumars Limited	29,61,293 Kgs.
4	Vardhman Fabrics	6,33,87,616 Kgs.

ANNEXURE – VIII

EXPORT OF SPUN YARN, ETC.

Rs. in Lakh

Sr. No.	Name of Unit (who responded)	Cotton	100% Non-Cotton	Blended Cotton / MMF	Blended Wool / MMF	Total
1	Anant Spinning Mills	34,170.93		1,919.63		36,090.56
2	Bhaskar Industries Pvt.Ltd.	1,623.46				1,623.46
3	Grasim Industries Limited (SFD)		48,370.00*			48,370.00
4	Hind Syntex Limited	32.04	1,305.38	2,328.99		3,666.41
5	Kamal Cotspin Pvt. Ltd.	1,971.36				1,971.36
6	Maral Overseas Limited		17,269.71			17,269.71
7	Nahar Spinning Mills Limited	22,254.36				22,254.36
8	PBM Polytex Limited	1,442.45				1,442.45
9	Pratibha Syntex Limited	4,469.08		1,169.48		5,638.56
10	Prem Textiles (International) P.Ltd.	131.98				131.98
11	Ritspin Synthetics Limited		3,760.06	8,287.73		12,047.79
12	Sagar Manufacturers Pvt.Ltd.	32,753.99				32,753.99
13	Spentex Industries Ltd.		9,892.00			9,892.00
14	SRF Limited		368.06			368.06
15	Vardhman Fabrics	6,775.16				6,775.16
16	Vardhman Yarns	36,101.77	3,312.14	20,451.59		59,865.50
17	Vippy Spinpro Ltd.		646.60			646.60
18	Wearit Global Ltd.	479.31	60.15	3,943.42		4,482.88

*Viscose Staple Fibre

ANNEXURE – IX

A - EXPORT OF WOVEN FABRIC

Rs. in Lakh

Sr.No.	Name of Unit (who responded)	Cotton	Woollen/MMF	Cotton/MMF Non-Cotton	Total
1	Bhaskar Industries Pvt.Ltd.	9,036.81			9,036.81
2	Prem Textiles (International) P.Ltd.	39.70		13.33	53.03
3	Raymond Limited		8,801.00		8,801.00
4	S. Kumars Limited			395.02	395.02
5	Vardhman Fabrics	42,254.19			42,254.19

ANNEXURE – IX

B – EXPORT OF KNITTED FABRIC (GREY / PROCESSED)

Sr.No.	Name of Unit (who responded)	Value Rs. in Lakh
1	Maral Overseas Limited	4,335.39

ANNEXURE – IX**C - EXPORT OF KNITTED GARMENTS/MADE-UPS.**

Sr.No.	Name of Unit (who responded)	Nos. in Lakh	Value Rs. in Lakh
1	Pratibha Syntex Limited	394.79	47,030.70
2	Prem Textiles (International) Pvt. Ltd.		11,934.70
3.	Ramesh Textiles India Pvt. Ltd.		3,845.85

ANNEXURE – IX**D - EXPORT OF COTTON/COTTON WASTE.**

Sr.No.	Name of Unit (who responded)	Value Rs. in Lakh
1	Kamal Cotspin Pvt.Ltd.	2.30
2	Maral Overseas Limited	103.15
3	Vardhman Yarns	11.31

**ANNEXURE – X
TURNOVER.**

Sr.No.	Name of Unit (who responded)	Value Rs. in Lakh
1	Anant Spinning Mills	70,339.40
2	Bhaskar Industries Pvt.Ltd.	89,320.00
3	Grasim Industries Limited (Staple Fibre Division)	2,40,544.00
4	Hind Syntex Limited	4,290.91
5	Kamal Cotspin Pvt. Ltd.	8,075.00
6	Maral Overseas Limited	56,090.96
7	Nahar Spinning Mills Limited	41,199.08
8	National Textile Corporation Ltd. - Burhanpur Tapti Mills	8,431.26
9	PBM Polytex Limited	8,147.72
10	Pratibha Syntex Limited	78,651.58
11	Prem Textiles (International) Pvt.Ltd.	12,119.71
12	Ramesh Textiles India Pvt. Ltd.	3,900.00
13	Raymond Limited	61,788.15
14	Ritspin Synthetics Limited	6,461.49
15	Sagar Manufacturers Pvt.Ltd.	54,411.59
16	S. Kumars Limited	6,350.00
17	Spentex Industries Ltd.	21,282.51
18	SRF Limited	61,841.50
19	STI India Limited	3,732.83
20	Swastik Spintex Ltd.	125.85
21	Vardhman Fabrics	1,40,994.15
22	Vardhman Yarns	1,39,373.65
23	Vippy Spinpro Ltd.	10,515.47
24	Wearit Global Ltd.	39,528.21

ANNEXURE – XI

CONTRIBUTION TO EXCHEQUER.

Rs. in Lakh

Sr. No.	Name of Unit (who responded)	Excise/ Custom/ Service Tax/GST	Other Taxes I.Tax/TDS, etc.
1	Anant Spinning Mills	85.56	147.98
2	Bhaskar Industries Pvt.Ltd.	3,296.43	227.02
3	Grasim Industries Limited (SFD)	36,316.00	18,546.00
4	Hind Syntex Limited		13.17
5	Kamal Cotspin Pvt. Ltd.	65.17	77.49
6	Maral Overseas Limited	45.64	454.18
7	National Textile Corporation Ltd.		
	- Burhanpur Tapti Mills	193.96	34.06
8	PBM Polytex Limited	0.39	23.63
9	Prem Textiles (International) P.Ltd.	66.03	142.73
10	Ramesh Textiles India Pvt. Ltd.	200.00	40.00
11	Raymond Limited	143.03	
12	Ritspin Synthetics Limited		10.62
13	Sagar Manufacturers Pvt.Ltd.	138.92	556.04
14	S. Kumars Limited	8.50	
15	Spentex Industries Ltd.	1,336.98	28.51
16	SRF Limited	1,483.75	176.39
17	STI India Limited	67.09	99.04
18	Swastik Spintex Ltd.	52.63	12.30
19	Vardhman Fabrics	3,669.68	354.80
20	Vardhman Yarns	2,504.85	111.40
21	Vippy Spinpro Ltd.	420.05	137.13
22	Wearit Global Ltd.		32.90

ANNEXURE – XII

EMPLOYEES ON ROLLS.

Sr. No.	Name of Unit (who responded)	Staff	Workmen				Total
			Permanent	Temporary	Trainee	Badli	
1	Anant Spinning Mills	178	1685				1863
2	Bhaskar Industries Pvt.Ltd.	392	1810		214		2416
3	Grasim Industries Limited (SFD)	512	1771		39		2322
4	Hind Syntex Limited	78	443				521
5	Kamal Cotspin Pvt. Ltd.		265				265
6	Maral Overseas Limited	318	953	693	769		2733
7	Nahar Spinning Mills Limited	239	1497				1736
8	National Textile Corporation Ltd.						
	- Burhanpur Tapti Mills	53	69	864			986
9	PBM Polytex Limited	102	340	38		1	481
10	Pratibha Syntex Limited	1088	6807		125		8020
11	Prem Textiles (International) Pvt.Ltd.	73	885			139	1097
12	Ramesh Textiles India Pvt. Ltd.	20	80	150			250
13	Raymond Limited		2570		2	116	2688
14	Ritspin Synthetics Limited	93	865				958
15	Sagar Manufacturers Pvt.Ltd.	206	79		161	860	1306
16	S. Kumars Limited	147	364	142	35		688
17	Spentex Industries Ltd.	107	1017	427	44		1595
18	SRF Limited	88	405				493
19	STI India Limited	116	564			13	693
20	Swastik Spintex Ltd.	24	21		12	6	63
21	Vardhman Fabrics	694	3329		477		4500
22	Vardhman Yarns	353	1958	504			2815
23	Vippy Spinpro Ltd.	63	50		13		126
24	Wearit Global Ltd.		80	384			464

ANNEXURE – XIII

POWER PURCHASE & GENERATION.

Sr. No.	Name of Unit (who responded)	Purchased		Own Generation	
		Connected Load KVA	Units Consumed	Capacity KVA	Units Generated
1	Anant Spinning Mills	23,963	10,02,85,828	250	968
2	Bhaskar Industries Pvt.Ltd.	8,400		3,500	8,195
3	Century Denim	5,400			
4	Century Yarn	3,000			
5	Dhar Textile Mills Limited	750			
6	Grasim Industries Ltd. (SFD)				22,49,91,251
7	Hind Syntex Limited	2,850	1,93,53,577		
8	Kamal Cotspin Pvt. Ltd.	2,050	1,17,89,450		
9	Maral Overseas Limited	2,000		1845+11 MW	60,80,167
10	Nahar Spinning Mills Limited	24,908	9,66,90,840	19,100	227
11	National Textile Corporation Ltd.				
	- Burhanpur Tapti Mills	3,500			
12	New Bhopal Textile Mills	3,300			
13	PBM Polytex Limited	2,100			
14	Pratibha Syntex Limited	10,000	7,89,57,000		
15	Prem Textiles (International) Pvt.Ltd.	2,205	1,43,42,149	752.5	16,026
16	Ramesh Textiles India Pvt. Ltd.			125	
17	Raymond Limited	8,500	21,25,800	11.50MW	5,87,81,000
18	Ritspin Synthetics Limited	2,500	1,97,18,000		
19	Sagar Manufacturers Pvt.Ltd.	11,000	8,04,04,519		
20	Satyam Spinners Pvt.Ltd.	500			
21	Sheshadri Industries Ltd.	3,000			
22	S. Kumars Limited	1,650	79,30,236	880	69,524
23	Spentex Industries Ltd.	7,400	3,62,94,000		
24	SRF Limited	12,000		6,000	5,22,508
25	STI India Limited	10,050		735	3,070
26	Swastik Spintex Ltd.	500			
27	Vardhman Fabrics	8,000	6,40,92,086	24,000	16,52,55,522
28	Vardhman Yarns			38,437	22,82,26,000
29	Vippy Spinpro Ltd.	1,550	79,62,006	3,025	19,59,324
30	Wearit Global Ltd.	3,000	1,76,80,200		

The Madhya Pradesh Textile Mills Association



ESTD. 1932

OUR CHAIRMEN

Years	Name
1932	Shri Rao Raja Sir Seth Hukamchand
1949	Shri Rai Bahadur Kanhaiyalal Bhandari
1950	Shri R. C. Jall
1955	Shri Rai Bahadur Lalchand B. Sethi
1956	Shri D. P. Mandelia
1957	Shri Rai Bahadur Hiralal Kasliwal
1958	Shri Pyarelal Seksaria
1959	Shri Omraosingh Gupta
1960	Shri Mahavir Prasad Morarka
1961	Shri Raja Bahadur Singh
1962	Shri B. M. Bhandari
1963	Shri Tejkumar Sethi
1964	Shri Surendra M. Bhandari
1965	Shri Kailash Agrawal
1966	Shri K. A. Desai
1967	Shri B. M. Bhandari
1968	Shri Kailash Agrawal
1971	Shri K. A. Desai
1972	Shri M. D. Vora
1975	Shri Kailash Agrawal
1991	Shri O. P. Jain
1991	Shri Vikas S. Kasliwal
2003	Shri Nitin S. Kasliwal
2008	Shri S. K. Chaudhary
2012	Shri T. K. Baldua
2012	Shri S. Pal
2014	Shri Piyush Mutha
2016	Shri Akhilesh Rathi

