Indore, December, 2020 • Pages 4

29th October, 2020, Draft Rules in respect of Industrial Relations Code - 2020 inviting objections/suggestions from the

stakeholders within 30 days from the date of Notification. The Association has submitted its suggestions on 26th November, 2020, the major suggestions being as under:-Rule in respect of Dissolution of Works Committee is missing in Draft Rule 3. A sub-rule 12 has been proposed for incorporation.

- Model Standing Orders are not appended to the Draft Rules. It has been suggested that Central Government should prescribe Model Standing Orders under Section
- 29 of the Code. Forms and Registers for carrying out provisions of Standing Orders are missing. It is suggested to
- incorporate such Forms and Registers. In Rule 20, provisions are required to be provided for filling up the vacancy in Industrial Tribunal other than National Tribunal.

Rule 22 regarding manner of holding conciliation

proceedings needs to be modified for initiating conciliation proceedings in case of apprehended industrial disputes. In Rule 22, procedure for making reference of disputes to

National Tribunal also need to be laid down.

recovery of dues due to the workers.

- A new Rule needs to be inserted after Rule 26 for Maintenance of Seniority list of workmen. A new Rule needs to be incorporated in the light of Section 59 of Industrial Relations Code, which provides for
- confirmation, age of retirement, transfer, medical aid in case of accidents, medical examination, secrecy, subsistence allowance, layoff, engagement of trainees, etc., need to be provided in the Standing Orders relating

Certain additional matters regarding service records,

to industrial establishments.

2019-20

'000 Tons

544.00

6120.00

263.50

Lakh Bales

32.00

360.00

15.50

2020-21

Lakh Bales

107.50

356.00

14.00

'000 Tons

1827.50

6052.00

238.50

2020.

this Act.

Global consumption is estimated at 24.40 million tons in

This Month":

RAW MATERIAL

2020-21. Global production is anticipated to increase to 24.90

million tons 2020-21.

1. As per highlights from the November, 2020 issue of "Cotton

- Production in United States, Pakistan and West Africa is
- Production in India and China is expected to increase.
- industry. Inclement weather and trade conflicts could compound the challenges in some regions, especially the USA, which not
- is also still engaged in trade war with China. 2. A report by US Department of Agriculture - Cotton & Products Updates has estimated that heavy rains in Central and Southern India will affect the

quality of cotton yield this year. India's cotton production is expected to reach 29.3 million bales.



Price Rs. 5/-

October, 2020 has estimated cotton crop at 356 lakh bales of 170 kg. each, which is 4 lakh bales less than the previous season's crop of 360 lakh bales. The reduction is on account of damage reported due to excess rains and pink boll worm

infestation. The estimated cotton Balance Sheet drawn by CAI for 2019-20 and 2020-21 is as under:-



Total	407.50	6927.50	477.50	8117.50	
Mill Consumption	218.00	3706.00	288.00	4896.00	
SSI Consumption	18.00	306.00	24.00	408.00	
Non-MillConsumption	14.00	238.00	18.00	306.66	
Exports	50.00	850.00	60.00	1020.00	
Total	300.00	5100.00	390.00	6630.00	
Closing Stock	107.50	1827.50	87.50	1487.50	
season 2019-20 and 2	020-21 as	under:-	Quantity i	n lakh Bale	
	2019-20 2020		1-21	Arrivals till 31.10.2020	
Punjab	9.50	10.	50		
Haryana		10.	-	2.28	
	25.50	20.	0.00	2.28 4.35	

Maharashtra 87 00 85 00 3.45

Manarashtra	87.00	85.00	3.45
Madhya Pradesh	18.00	21.00	2.13
Telangana	52.00	48.00	1.17
Andhra Pradesh	15.25	14.00	1.28
Karnataka	20.00	26.00	1.59
Tamil Nadu	5.00	5.00	0.53
Odisha	3.75	4.00	0.00
Others	1.00	1.00	0.00
Total	360.00	356.00	28.86
The official estimate & Consumption (Cot 4. The Cotton Corpurchases for 2020 100 lakh bales. Pro Telangana, Rajasth selling new cotton @ has purchased 115 la	CPC) are not averporation of In-21 season and ocurement has an and Madhy Rs.41,500-42	ailable. dia (CCI) has d is ready to p begun in Pur ya Pradesh. (s commenced rocure around njab, Haryana, CCI has been
5. As per Press Infor	mation Bureau ,	Government	of India, till 26th

November, 2020 a quantity of 26,62,102 Cotton bales valuing Rs.7,864.10 crore has been procured under MSP benefitting 5,37,156 Farmers during current cotton season.

US\$226.44 million during the same period last fiscal. 7. As per reports, India's cotton exports could jump by 40% in 2020-21 from a year ago to 70 lakh bales, the highest in last seven years, as the depreciation of the Rupee and a rally in global prices allow exporters to clinch export contracts. According to Shri Atul Ganatra, President of CAI, 'Export demand is good as

our cotton is the cheapest in the World market'.

Bangladesh is likely to materialize by December, 2020 as per Shri Pradeep Agrawal, CMD of Cotton Corporation of India. 9. According to October, 2020 edition of India Ratings & Research's (Ind-Ra) Credit News Digest on India's textile sector,

8. An export contract for around 1.50 million cotton bales to

before expiry of a period of 45 days from the date of the

2. The Central Government has announced Atmanirbhar Bharat Rojgar Yojna on 12th November, 2020 offering provident fund

subsidies to the employers for hiring new workers and also for

those who have lost jobs during Covid-19 pandemic; highlights of

Newly added employees from October, 2020 to June, 2021

for the first time on monthly wage of less than Rs.15000 with the establishments registered with EPFO will get the benefit.

Employees' contribution and Employers' contribution

totaling 24% will be provided for two years for

All establishments with maximum of 1000 workers will be

Reference base of employees will be as in September,

EPF members, who made an exit from employment during

establishments with upto 1000 employees.

years has led to doubling of spindles deployed on VSF, thus

generating additional employment of nearly 50,000 in the downstream value chain, as per Shri M. P. Joseph, Secretary General, AMFII. 11. On 27th November, 2020, the State Government has reduced Mandi Tax on all commodities (including cotton) from Rs.1.50 per Rs.100 to Rs.0.50 per Rs.100 from 14th November, 2020 for a period of three months. In addition to this, Nirashrit Tax of Rs.0.20 per Rs.100 is also payable. POWER

comply with Energy Conservation Act, which would reduce energy losses and bring in more transparency in the sector. Earlier only DISCOMs with annual energy losses equal to or above 1000 million units notified as designated consumers, used to come under the purview of

Energy Conservation Act. According to a Notification issued on 28th September, 2020, all DISCOMs come under the purview of

2. The Ministry of Power is looking at creating separate electricity distribution channels for industries as part of Centre's "Make in India" program. The proposed creation of industrial hubs across the States will have their own power supplier. The proposal has been made to reduce the cost of electricity for manufacturing industries. The private utilities could be given a

1. The Union Ministry of Power have mandated

all Electricity Distribution Utilities/DISCOMs to

deemed distribution license, as is available to railways and metro rail service. The DISCOMs charge higher rates from the industries due to cross subsidy and surcharge, etc. 3. As per reports, the West DISCOM has extended the date for recovery of outstanding bills of power consumers that were deferred by the Government earlier in view of Covid-19 till

On 13th November, 2020, Draft Rules in respect of Code on Social Security, 2020. On 19th November, 2020, Draft Rules in respect of Occupational Safety, Health & Working Conditions Code,

The objections/suggestions in respect of aforesaid Draft Rules

Man Power

following:-

1. The Ministry of Labour &

Employment has notified the

Monthly auto-population of ITC from suppliers' GSTR-1 through the newly developed facility in GSTR-2B for taxpayers. With effect from 1st April, 2021 timeline for implementation of

Mandatory filing of GSTR-1 before GSTR-3B.

Quarterly returns and monthly tax payment facility for

taxpayers with aggregate annual turnover below Rs.5 crore.

Quarterly auto-population of ITC from suppliers' GSTR-1

through the newly developed facility in GSTR-2B for

Requirement for declaring six digit HSN/SAC in invoices and GSTR-1 for taxpayers with aggregate annual turnover

Requirement for declaring four digit HSN/SAC for B2B

2. The Department of Revenue on 11th November, 2020 has revoked Anti-Dumping Duty imposed on Acrylic Fibre originating in or exported from Thailand and imported in India. 3. Anti-Dumping Duty on All Fully Drawn or Fully Oriented

Yarn/Spin Draw Yarn/Flat Yarn of polyester originating in or exported from China and Taiwan has been extended till 31st

4. The Southern India Mills' Association has urged the Centre to remove Anti-Dumping Duty on Viscose Fibre and address problems related to Inverted Duty structure in Man-Made Fibre segment for the industry to benefit from the Focus Linked Product

affected the entire value chain. A number of exporters have incurred unrecoverable losses due to slow off-take and high fixed cost of manufacturing, of which, majority of Mills would not be able to survive. The month-

Scheme(FLPS). EXPORT & IMPORT

Month 2019 2020 % Change March 1045.79 709.47 (-)32.16844.22 148.11 April (-)82.46May 884.95 464.88 (-)47.47(-)3.83 791.68 761.38 June 824.01 885.32 7.44 July

Man-Made Yarn/Fabrics/Made-ups, etc.

828.63

931.88

2020

350.17

61.76

P.R.NO.MP/IDC/1200/2019-21-Indore

Date of Posting 15-12-2020

(-)0.42

15.39

% Change

(-)24.82

(-)84.11

(-)58.63

(-)31.98

(-)23.33

Value in US\$ Million.

832.14

807.58

2019

465.78

Ready-Made Garments of all Textiles. Value in US\$ Million. 2019 Month 2020 1717.58 1118.05 March

399.39

395.08

1409.53

1528.02

1232.87

RNI No. MPENG/2005/16718

August

April

May

June

September

Date of Publication: 01-12-2020

1063.17 July 1364.67 (-)22.091260.32 1083.89 (-)14.00August September 1079.79 1190.14 10.22 2. India's yarn exports increased by a meager 1% to US\$ 289 million in October, 2020 from the corresponding period of last year. Bangladesh was the largest importer of spun yarn with 11% increase in value of imports followed by China. These two countries accounted for about 35% of yarn shipments during the month. Export of cotton yarn, however, declined to US\$ 238 million. Yarn was shipped to 78 Countries at an average price of US\$ 2.72/kg. Bangladesh was the top importer followed by China, Peru, Portugal and Vietnam.

thrust to create champion sectors. In the textile sector, the Scheme has been extended to 40 Man-Made Fibre (MMF) garment products and 10 Technical Textile products. The financial outlay for the Textile Sector is Rs. 10,683 crore. The global exports in the 40 MMF identified products under the Scheme is US\$ 140 billion, out of which India's export share is 0.77% (US\$ 1.08 billion).

on-year to US\$ 575 million, which accounted for about 2.3% of total merchandize exports from India during the month. 3. The Government has extended Focus Linked Product Scheme (FLPS) to 10 additional sectors including textiles as part of the

be paid to the companies @ 9% on incremental turnover of 50% in the first year. For the subsequent years the incentive is reduced by 1% for each year on incremental growth of 50% per annum till the end of five years. For turnover above Rs.500 crore, incentive will be paid to

trade pact, it will quite quickly run out of countries to trade with. India

can continue to export to these countries, but will suffer the

Cotton Yarn/Fabrics/Made-ups/Handloom, etc. Value in US\$ Million.

166.84 June 363.14 247.02 July 399.32 306.16

> Sep. Sep. Apl-Sep Apl-Sep 2019 2019-20 2020 2020-21 115.2 101.7 114.9 67.6 144.2 123.9 160.9 90.5 (-)43.8

disadvantage of no/low import duty on most of the goods, it exports.

been extended till 31st March, 2021. Entities will get additional credit upto 20% of outstanding credit with a tenor of five years including one year moratorium on principal repayment. 3. The Secretary, Ministry of Textiles, has informed that the Government is in the last stages of finalizing the Textile Policy, which got delayed due to corona virus pandemic and will be unveiled after the final round of consultation between the Industry and the Ministry. 4. The textile industry, which had really slowed down at the initial

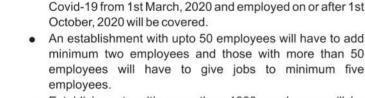
textiles in India including the aesthetic, variety and art work is fairly expansive even when compared to Vietnam and Bangladesh. 5. According to Shri B. Prakash of Wazir Advisors, the global outbreak of corona virus pandemic has created a havoc in textile and apparel industry, which is expected to contract by 30% in 2020 to a total value of US\$ 600 billion (250 billion for textiles and 350 billion for apparels) from the value of US\$ 850 billion in 2019 (365 billion for textiles and 485 billion for apparels). However, the

demand is expected to rebound in future and expected to touch the mark of US\$ 1000 billion by 2025. 6. Many of the leading textile and apparel manufacturers like Arvind, Raymond, etc., have launched anti-viral range of fabrics with a strong reassurance for consumers, as they resume their daily work lives. Research shows that viruses can remain active on textile surfaces for upto two days. The fabrics produced are 100% effective on Avian Influenza (HSN 1), SARS Corona Virus (COV-P8-P11) and Influenza Virus (H1N1). The anti-viral treatment/finishes on textiles can significantly reduce the risk of

developed a multipurpose industrial belts at Mohana (140 hectares), Jaitapur (200 hectares), Jaora (34 hectares) and Textile belt - Paridhan Park at Kshipra (33.5 hectares) with the aim of attracting investments from local players and generate employment within the vicinity.

7. The Madhya Pradesh Industrial Development Corporation has

transmission, contamination and curbing the spread of virus.



Notifications.

the Yojna are as under:-

covered.

2020.

2

employees. Establishments with more than 1000 employees will be entitled for subsidy towards employee's share (12%) only. 3. The ESI Corporation has clarified on 12th November, 2020 that

an employee, who has been paid statutory dues like PF, gratuity,

leave encashment, bonus, etc., by the employer, while removing

him from job or at the time of his resignation or in cases where employer says that the employee has left the job/taken voluntary

retirement/ tendered resignation, shall be considered eligible for

4. The Labour Department of the State has inserted a new Rule

123-A in Madhya Pradesh Factories Rules, 1962 regarding third

5. On 17th November, 2020, the Labour Department of the State

has proposed to amend Rule 6 of Madhya Pradesh Factories

Rules, 1962 regarding grant of license online in Form No.3 for 10

years or more or such period as applied on payment of fees as specified for such calendar years as applicable for such registration. Objections or suggestions to such amendment are to

relief under Atal Beemit Vyakti Kalyan Yojna.

party certification on 19th November, 2020.

of Rs.375/- per day.

following Returns:-

be submitted by stakeholders before expiry of 45 days from date of Notification. 6. As per reports, the Ministry of Labour & Employment has decided to junk the recommendations by a panel on steep increase in National Floor for Minimum Wages and is now proposing to set up a new Technical Committee to prescribe the same. The earlier recommendation was for a National Floor Wage

EGAL & TAXATION

1. The GST Council in its 42nd

Meeting held on 5th October, 2020

decided with effect from 1st

January, 2021, the timelines for implementation in respect of

Quarterly GSTR-1 to be

Auto-population of liability from own GSTR-1 to GSTR-3B for monthly taxpayers.

302.63

359.05

126.31

516.63

803.37

revised to 13th of the month succeeding the quarter.

Export of 100% Man-Made Fibre yarn reached 7.49 million kgs.,

which included export of polyester yarn 3.23 million kgs., viscose yarn 2.07 million kgs. and acrylic yarn 1.76 million kgs. The export of polyester yarn was worth US\$ 6.60 million. US was the largest buyer followed by Brazil and Turkey. Export of viscose spun yarn was worth US\$ 6.39 million. Overall the export of basic textiles comprising fibres, spun and filament yarns increased by 22% year-

For turnover between Rs.100 to Rs.500 crore, incentive will the companies @ 7% on incremental turnover in the first

The share of globally traded 10 Technical Textile products is US\$ 82

billion, whereas India's share is 0.85% only.

The structure of the Scheme will be as under:-

year on 50% incremental growth.

4. The Cotton Textile Export Promotion Council (TEXPROCIL) has impressed upon Textile Ministry, the need for entire textile and value chain, including cotton yarn to be considered for eligible refund of duties and taxes under RoDTEP Scheme. 5. All the 10 members of ASEAN along with China, Korea, Japan, Australia and New Zealand signing the Regional Comprehensive Economic Partnership (RCEP) is a bad news for India, more so this is the second major multilateral trade deal in recent years after the US pulled out of Trans Pacific Partnership (TPP) in 2017. RECP accounts for 30% of global GDP and with the present agreement, this will rise to 50% by end of the decade. If India is not a part of this

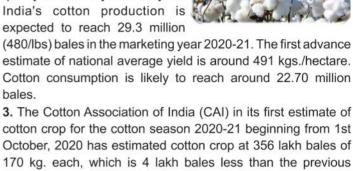
Volume XVI No. 5

expected to decrease.



The entire World is tired of Covid-19 pandemic and simply want to be done with it - but it is, sadly, far from done with cotton

only is experiencing an unusually active hurricane season, but





casualwear, knitted and home textile segments. However, the

cotton prices recorded a decline of 5% year-on-year in October,

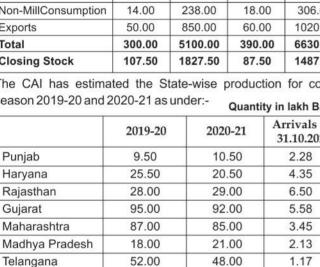
10. Led by a rise in global sourcing, exports of Viscose Staple

Fibre (VSF) rose nearly 40% to 23,000 tons during the second

quarter of current financial year from 16,500 tons recorded in

fourth quarter of 2019-20. VSF is the fastest growing fibre in the Country's textile basket and is one of the major contributors to our textile exports. The growth in consumption of VSF over last five





6. As per reports, the export of cotton during April-September, 2020 has been US\$ 464.58 million as against export of

the cotton prices continue to gain 2-4% month-on-month in October, 2020 on account of resumption in demand from the

have been invited from the stakeholders and are to be submitted

supplies for taxpayers with aggregate annual turnover upto Rs.5 crore. Requirement of declaring eight digit HSN for notified class of supplies for all taxpayers.

December, 2020.

above Rs.5 crore.

following returns:-

1. India's textile and apparel exports have recorded a sharp decline, which has

August September

March

Items

Textiles

Wearing

Apparel

M.P. TEXTILE NEWS LETTER

(-)24.23

(-)9.12

% Change

(-)34.91

(-)91.04

(-)66.19

(-)34.84

Month

April 388.61 May 403.24

For the Month

2. The Emergency Credit-line

Guarantee Schemefor MSMEs has

STATE OF THE INDUSTRY 1. The Index of Industrial Production (IIP) data for the month of September, 2020 released on 12th November, 2020 is as under: Cumulative % Growth Apl-Sep 2020-21 (-)41.2

stages of lockdown due to pandemic has started showing signs of recovery. There are plenty of orders coming in to replenish the gap created by disruption in supply from China. India is also becoming a major destination for textiles, as we have cotton. The innovation of