



The Madhya Pradesh Textile Mills Association



ANNUAL REPORT 2021 - 22

FARM TO FOREIGN

The Madhya Pradesh Textile Mills Association

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

IN THE SERVICE OF TEXTILE INDUSTRY SINCE 1932



ANNUAL REPORT 2021-22

OFFICE BEARERS :

Chairman	-	Shri Akhilesh Rath
Vice Chairman	-	Shri Shreyaskar Chaudhary
Deputy Chairman	-	Shri Subhash Chand Jain
Deputy Chairman	-	Shri Siddharth Agrawal
Secretary	-	Shri M. C. Rawat

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THE MADHYA PRADESH TEXTILE MILLS ASSOCIATION

Its Origin

This Association was established in the year 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 Millowners' Association and the mills in the region were invited to join. With the formation of 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 with effect from 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 India 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 interest of textile industry.
- * To take all steps for promoting, protecting, supporting, encouraging, opposing, or seeking modifications in legislative and other measures affecting the interest 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, interese.
- * 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
- Bio-Spun Pvt. Limited, Pithampur- 454773
- Candor Textiles Pvt. Ltd., Indore – 452020
- Deepa Textiles Private Limited, Khanpura, Goharganj-464993
- Deepak Spinners Ltd., Pagara – 473 001
- Grasim Industries Limited :
 - Staple Fibre Division, Birlagram, Nagda – 456 331
 - Vikram Woollens, Malanpur - 477 117
- Jaideep India Pvt. Ltd., Pithampur - 454 774
- Kamal Cotspin Private Ltd., Burhanpur - 450 331
- Kohinoor Elastics Pvt. Ltd., Indore - 452015.
- Madhumilan Industries Ltd., (Spinning Divn.) , Talawada - 46674
- Mahima Fibres Pvt. Ltd., Bhilgaon , Kasravad - 451228
- Maral Overseas Ltd., Maral Sarovar – 451 660
- Mohini Health & Hygiene Pvt. Ltd., Pithampur - 454 774.
- Nahar Spinning Mills Ltd., Mandideep - 464 993
- 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, Sausar - 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
- Shree Geeta Textile Mills Pvt. Ltd., Burhanpur - 450331.
- S. Kumars Ltd., Dewas - 455 001
- S R F Limited, Malanpur - 477 116
- Swastik Spintex Ltd., Rajoda, – 453 562
- 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 thirty four Mills as its live Members. 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., Parasrampur International, Sheshadri Industries Ltd., CLC Industries Ltd., Hind Syntex Ltd., STI India Ltd., Texpert International and National Textile Corporation 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 2020-21 was held on 28th December, 2021 and the following Office Bearers were elected for the term 2021-22:

- | | | |
|---|---|-----------------|
| * | Shri Akhilesh Rathi,
Director,
Bhaskar Industries Pvt. Ltd.,
Mandideep. | Chairman |
| * | Shri Shreyaskar Chaudhary,
Managing Director,
Pratibha Syntex Ltd.,
Pithampur. | Vice Chairman |
| * | Shri Subhash Chand Jain,
Director,
Prem Textiles (International) Pvt. Ltd.,
Indore. | Deputy Chairman |
| * | Shri Siddharth Agrawal,
Director,
Sagar Manufacturers Pvt. Ltd.,
Tamot | 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 28th December, 2021. 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 Rajiv Angra
Bhaskar Industries Pvt.Ltd.	Shri Akhilesh Rathi	Shri Sandeep Baheti
Bio-Spun Pvt. Ltd.	Shri Ashish Doshi	
Candor Textiles Pvt. Ltd.	Shri Suryansh Somani	Shri Ashutosh Khandelwal
Deepak Spinners Ltd.	Shri Shantanu Daga	Shri Y. K. Singh
Deepa Textile Mills Pvt. Ltd.	Shri Kanha Rathi	Shri Ashok Chaurasia
Grasim Industries Ltd (SFD)	Shri Mahaveer Jain	Shri Sanjay Dhanuka
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 NitinMatlani
Madhumilan Industries Ltd.	Shri A.K. Chaudhary	Shri Kanak Jain
Mahima Fibres Pvt. Ltd.	Shri Rohit Doshi	Shri Ashok Doshi
Maral Overseas Ltd.	Shri S. N. Goyal	Shri R. Gautam
Mohini Health & Hygiene Pvt. Ltd.	Shri Sarvapriya Bansal	Shri Avinash Bansal
Nahar Spinning Mills Ltd.	Shri D.K. Mundra	Shri Surender Bhatt
PBM Polytex Ltd.	Shri K.K.Patodia	Shri Vikas Patodia
Pratibha Syntex Ltd.	Shri Shreyaskar Choudhary	Shri Narendra Kaushik or Satish Sachdeva
Prem Textiles (Int) Pvt. Ltd.	Shri S.C. Jain	Shri Saurabh Jain
Ramesh Textile India Pvt. Ltd.	Shri Ramesh Samria	Shri Sanjay Samria
Raymond Limited	Shri Surendra Tiwari	Shri Manish Thorat
Ritspin Synthetics Ltd.	Shri Manish Kumar	Shri Deepak Nagar
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	
Shree Geeta Textile Mills P.Ltd.	Shri Anurodh Mittal	Shri Anurag Mittal
S.Kumars Ltd.	Shri G.D. Bansal	
SRF Ltd.	Shri Rajeev Narang	Shri Vashudev Agrawal
Swastik Spintex Ltd.	Shri V.K. Rathi	Shri G.D. Rathi
TDB Spinners Pvt. Ltd.	Shri Akhilesh Gupta	
Vardhman Yarns	Shri S.Pal	Shri Praveen Dhingra
Vardhman Fabrics	Shri T.C. Gupta	
Vikram Woollens	Shri Man Mohan Singh	Shri Santosh Kumar Singh
Vippy Spinpro Ltd.	Shri Piyush K. Mutha	
Wearit Global Ltd.	Shri Deepak Nagar	Shri Shantanu Dey

COMMITTEE MEETINGS:

During the year 2021-22, three 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. Several virtual meetings were also held to discuss various issues.

ANNUAL MEMBERSHIP SUBSCRIPTION:

It was decided to continue the Annual Membership Subscription rates of 2018-19 for the year 2022-23 also, which are as under :

1 Annual Subscription based on capacity:		
Spindles installed	Rs 0.70	each
Rotors installed	3.50	"
Shuttle Looms installed	30.00	"
Shuttleless Looms installed	85.00	"
Knitting Machines installed	180.00	"
Stenter Machines installed	1750.00	"
Calculation of Subscription as per the rates indicated above		
Total subscription payable per annum subject to:		
Minimum	12,500.00	p.a.
Maximum	45,000.00	"
2 Textile Units under construction	10,000.00	"
3 Staple Fibre Division of Grasim Industries Ltd.	50,000.00	"
4 National Textile Corporation Ltd.	45,000.00	"
5 Industrial Group having more than two Mills	90,000.00	"

One time admission fee of Rs. 1, 000.00 is to be paid by new members.

AFFILIATION WITH OTHER INDUSTRY FORUMS:

The Association continued to be the Member the following Bodies/Federations:

- Confederation of Indian Textile Industry (CITI), New Delhi.
- Textile Sector Skill Council (TSC), 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 Madhya Pradesh 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 2021-22 has been as under:-

S.No. Name of the Body	Name of the Representative
<ul style="list-style-type: none"> Confederation of India Textile Industry Principal Representative Alternative Representative CITI CDRA Textile Sector Skill Council Federation of Indian Chamber of Commerce Industry. Associated Chamber of Commerce & Industry of India – M. P. Development Council of India. All India Organisation of Employers, M.P. Labour Welfare Board M.P. Minimum Wages Advisory Board M.P. State Advisory Board for Contract Labour. Federation of Madhya Pradesh Chamber of Commerce & Industry. Provident Fund Regional Advisory Committee, Indore. E.S.I. Regional Advisory Committee 	<ul style="list-style-type: none"> Shri Akhilesh Rathi, Chairman Shri Shreyaskar Chaudhary, Vice-Chairman Shri Akhilesh Rathi, Chairman Shri Akhilesh Rathi, Chairman Shri Akhilesh Rathi, Chairman Shri Akhilesh Rathi, Chairman Shri S.N. Goyal, Maral Overseas Ltd. Shri S. Pal, Vardhman Group Shri H. S. Jha, Pratibha Syntex Ltd. Shri S. Pal, Vardhman Group. Shri Akhilesh Rathi, Chairman. Shri M.C. Rawat, Secretary Shri S. Pal, Vardhman Group.
<ul style="list-style-type: none"> Indore Management Association Shri Ahilyamata Gaushala Jeev Daya Mandal Trust Electricity Consumers Society. State Advisory Committee of MPERC Product Advisory Group of MCX 	<ul style="list-style-type: none"> Shri Shreyaskar Chaudhary, Vice Chairman Shri M.C. Rawat, Secretary. Shri M.C. Rawat, Secretary. Shri S.N. Goyal, Moral Overseas Ltd. Shri M.C. Rawat, Secretary Shri Mahendra P. Khante, Vardhman Group Shri Akhilesh Rathi, Chairman

POSITION IN OTHER INDUSTRY BODIES:

Shri Akhilesh Rathi, our Chairman is President of Indore Management Association. He is Joint President of Federation of Madhya Pradesh Chambers of Commerce & Industry and Vice Chairman of ASSOCHAM, M.P. State Development Council too.

SUMMARY OF REPRESENTATIONS MADE DURING THE YEAR :

During the year, the Association submitted a number of Representations to the Central/State Governments and other authorities on various subjects. However, the following Representations need mention:

1. Our Member Mills are buying a large quantity of cotton from Maharashtra through Cotton Corporation of India (CCI) and MNCs like LDC. Of late due to Cotton situation, Maharashtra State Government has put restriction in movement of people and material in some districts like Akola, Khamgaon etc. due to Covid-19. There is even restriction in movement in intra districts too, due to which cotton supplies from CCI warehouses in these areas have very badly affected and this interruption in cotton supplies leads to temporary closure of some of our Member Mills, which adversely affects regular employment of Workers and Country's economy too.

The Central and State Governments are assuring all help to keep manufacturing units working. It is difficult to keep working continue till the regular supply of basic raw material is ensured. Under this circumstance, on 26th April, 2021,

we requested the Textile Commissioner to intervene into this issue and requested State/District Administration to allow movement of people and warehouse employees for timely delivery of cotton with due Covid protocol in those cotton growing / warehousing districts, so that industry may get cotton timely to continue its production.

2. On 4th June, 2021, we submitted to the Secretary, Ministry of Labour & Employments Inputs and Suggestions on the Draft Rules issued vide Notification GSR 317E dated 4th May, 2021 proposed to be framed as the Industrial Relations (Central) Recognition of Negotiating Union Rules. The major suggestions made are as under:

- (i) The classification of grades and categories of workmen are not the matter of negotiation and such matter cannot be included in subject of negotiations.
- (ii) If the employer has passed the order in exercise of power under Standing Orders and, if unions of workers are aggrieved by the same, they can approach the tribunal for ventilation of their demand, the question of negotiation does not arise.
- (iii) Hours of work, number of working days, rest intervals, etc. are governed by Occupational Safety, Health and Working Conditions (OSH) Code and Industrial Relations Code and therefore, that cannot be a matter of negotiation.
- (iv) Leave with wages is governed by OSH Code and Industrial Relations Code.
- (v) It is a settled law that promotion is a management prerogative. In private employment, the promotion is never considered as a matter of right.
- (vi) It is a settled law that quarter allotment is a management prerogative.
- (vii) We out rightly reject any idea of providing any furnished office to any union.

3. We have sent a request letter to Shri Jyotiraditya Scindia, Hon'ble Minister of Civil Aviation on 27th July, 2021 for air connectivity between Indore and Surat. There are strong reasons to validate the requirement of a regular or bi-weekly flight between these two cities as Indore is known for textiles and is now developing as a textile and apparel destination, whereas Surat is well known for its textile industry. The other reasons include visits by thousands of people from Surat and nearby areas to holy places at Ujjain and Omkareshwar, development of Indore as educational hub, etc.

4. Barlai Co-operative Sugar Mills Limited is lying closed for about 25 years and is under the process of winding up. The process of transfer of land of this sugar mill to Industries Department from the Co-operative Department is stagnated for long. This land is most suitable for textile hub being close to Indore and Dewas. Facilities for transportation of raw material and finished goods are readily available, the skilled labour for the textile industry is also available. The making of textile hub on this land will lead to utilization of cotton grown in the area, value addition of yarn, which will lead to increase of Gross Domestic Product (GDP) of the State. Some of the leading textile groups are ready to invest immediately Rs.400 crore in this area, which will lead to employment of around 5,000 workmen including female workers. Some other industrialists are also willing to establish their units in this area. The infrastructure development of the land will be done by individual investors under various Schemes of State and Central Governments. We, therefore, made a representation on 20th August, 2021 to the Hon'ble Chief Minister of the State to intervene in the matter and order early transfer of land of this sugar mill to the Industries Department, so that the work of textile hub could start at the earliest.

5. The Department of MSME of the State declared Madhya Pradesh MSME Vikas Neeti – 2021 on 13th August, 2021. In Clause 20.1 of the Neeti, refund of interest on term loan taken for plant and machinery as per Amended TUFs for new textile units has been provided. The Amended TUFs does not include spinning segment of the textile industry. However, in para 14(xx) of the Neeti, spinning has been included at Sl. No. 5 as part of textile project. We, therefore, made a representation on 28th August, 2021 to Hon'ble Minister for MSME of the State to include spinning and delete the word ATUFs from para 20 of the Neeti. This will help increase of yarn production and easy availability of raw material to the power loom sector, thereby increasing GDP of the State.

6. The various labour laws of the State provide for imprisonment of employer for certain unintentional lapses in observing the Rules. With such a provision, the investors are always afraid of such action and the investment in the State suffers. Recently, the Government of Uttar Pradesh has removed such imprisonment provision and has kept the provision of monetary fine, which is in consonance with the policy of the Government of India to decriminalize the investment. In view of the above, we made a request on 14th September, 2021 to the Hon'ble Chief Minister of the State to make similar amendments in the labour laws of the State. Such an action will increase confidence of investors leading to new investment in the State and creation of employment opportunities.

7. The Industrial Promotion Policy – 2014 continues to be applicable in the State and requires certain amendments. We, therefore, made a representation on 14th September, 2021 to the Principal Secretary, Department of Industrial Policy & Investment Promotion of the State to incorporate following changes in the Policy:

- Electricity Duty exemption as provided in Para 10.8 for new HT connection was available only up to 31st March, 2019. Since the Policy continues beyond this date, the new HT connections should be eligible for Electricity Duty exemption till applicability of the Policy. Moreover, an eligible unit exempted from Duty and converts its connection from 33 KV to 132 KV or from 132 KV to 220 KV should be allowed exemption for the balance period of new category.
- As per Para 10.11.2, interest subsidy for new composite unit is allowed, if it utilizes at least 75% of primary produce (such as yarn) as an input in down stream activities. Since the spinning activity is more and downstream weaving/knitting, being new, is using less quantity of yarn, the limit of using primary produce needs to be brought down to 50%.
- Roof Top Solar Power Generation involves very high capital expenditure. The State has imposed Additional Surcharge on Solar Power Generation of Rs.1.11 per Unit. In cases, where such power is used by generating unit itself without utilizing any facility/electric line, etc. of the DISCOM, such charge should be exempted. This will encourage more use of renewable power.

8. The Association submitted a Representation on 27th November, 2021 to the Officer on Special Duty (Drawback Division), Central Board of Indirect Tax & Customs regarding anomaly in RoDTEP rates for HSN 59011010/59044020/59011090 and Chapter Heading 5514. The RoDTEP rates for these items are less than the rates for grey fabric used for manufacture of goods under these Codes. We have requested to rectify the discrepancy.

9. A Representation was sent on 3rd December, 2021 to the Textile Commissioner, Mumbai regarding difficulties faced at the time of verification of documents on physical inspection of machinery by Joint Inspection Team (JIT) under TUF Scheme. Particularly in the old cases under RRTUFS/MTUFS, the units are not able to submit/trace Certificates of Origin required for establishing and verification of ownership of the machinery. In some cases, machine serial number are not mentioned on both the machinery and the invoice. In such cases JIT team is not allowing Subsidy despite verification of machinery along with all supporting documents. We requested the Textile Commissioner to advise the JIT to consider Bill of Lading/Entry, Commercial Invoice and proof of payment as mandatory documents to establish the existence and ownership of the machinery. Attention has been invited to DGFT Notification No.114/2013 dated 12th March, 2015 also, which stipulates Bill of Lading / Airway Bill, Commercial Invoice and Packing List, Bill of Entry, as mandatory documents for import of machines in India.

10. A Representation was sent to the Hon'ble Chief Minister of the State on 3rd December, 2021, with a request to resolve the following issues of Textile Industry :

- To continue the rebate of Rs.2.00 per unit for reduction in captive consumption and shifting to purchase from DISCOM, which was allowed for five years vide Madhya Pradesh Electricity Regulatory Commission Tariff Orders of 2017-18.
- To discontinue recovery of Rs. 1.11 per unit as Additional Surcharge on Solar Energy generated by Industrial units from their own generating plants without using any of the equipment/ lines of the DISCOMs.
- To continue exemption from payment of Electricity Duty to new connections as allowed under Para 10.8 of Industrial Promotion Policy, 2014 beyond 31st March, 2019 as the period of this Policy continues. The

units, which switch over from 11 KV to 132 KV may be allowed exemption for the balance period under the old connection.

- To request Government of India to open Office of Director General of Foreign Trade at Bhopal as many major exporters are situated at Mandideep/Budhni and other nearby areas.
- To advise Labour Department to automatically renew Factory Licenses on payment of Renewal Fees without much of paper work.

11. The Association submitted a Representation on 8th January, 2022 to Joint Secretary (Drawback), Central Board of Indirect Taxes & Customs, New Delhi regarding rectification of human error in RoDTEP claims. The exporters intending to avail RoDTEP are required to make a declaration in the Shipping Bill as RoDTEPY (Applicable). There is no provision in the Scheme to correct the inadvertent mistake, if any occurred, while making declaration as RoDTEPN (Not Applicable) in the Shipping Bill. In the Drawback Scheme, there is a provision to make supplementary claim and in the MEIS Scheme, there was a provision to rectify the mistake as provided in Public Notice No.47/2025-20 dated 8th September, 2015. We have requested them to issue a suitable Public Notice for correction of such mistakes, so that industry does not lose their genuine claims.

12. A Representation was sent to the Principal Secretary, Industrial Policy & Investment Promotion Department of the State on 17th January, 2022 to increase the rebate for Consumption load switch over from captive power plants to DISCOMs. The units having Captive Power Plans are not opting for the same because of following reasons:

- The amount of Rs.2.00 per unit is not sufficient to mitigate the cost of investment and difference in cost of power generation and the power rates of MPPMCL/ DISCOMs. We have requested that the amount of rebate should be in between to Rs. 2.50 to Rs.3.00 per unit to make the Scheme lucrative and attractive.
- The period of two years is too small to take a decision of closure of captive power plants as restoration cost after two years will be too high. We requested to increase the period from two years to ten years, considering the huge investment made.

13. A Representation was sent to the Hon'ble Chief Minister of the State on 17th January, 2022 with the request to remove various restrictions placed on Generation of Roof Top Solar Power by industry. Solar Power plays an important role in energy security, reduction of green- house gases and reduces fossil fuel use. We have requested for :

- * No restriction on capacity;
- * Adjustment to be made TOD wise instead of 15 minute interval;
- * Contract Demand to be allowed as per policy.
- * Time bound single window clearance.
- * No open access charges.
- * No levy of any type by any authority etc.

14. The Association submitted a Representation on 2nd February, 2022 to the Commission Secretary, Madhya Pradesh Electricity Regulatory Commission regarding levy of Additional Surcharge on consumption of power from source other than Distribution Licensee of the area. The West DISCOM has been collecting Additional Surcharge on solar power giving reference of Section 42(2) of the Electricity Act, 2003 for levy of Cross subsidy Surcharge and Section 42(4) for Additional Surcharge on captive power plants.

The Hon'ble Supreme Court in the matter of Maharashtra State Electricity & Distribution Co. Ltd, v/s JSW Steel Ltd; and others on 10th December, 2021 has ordered that the captive consumers are not liable to pay Additional Surcharge leviable under Section 42 (4) of the Electricity Act, 2003 and the Distribution licensee has to refund the same. We have provided a copy of the said judgment and requested the Hon'ble Commission to advise the West Discom to stop charging Additional Surcharge on solar power and honor the order of the Apex Court.

INTERACTIVE SESSION ON BUSINESS OPPORTUNITIES IN SAIF :

An Interactive Session on Business Opportunities in Sharjah Airport International Free (SAIF) Zone, UAE was organized by Associated Chambers of Commerce & Industry (ASSOCHAM) on 14th March, 2022 at Indore Marriot Hotel. It was

supported by our Association, Federation of Madhya Pradesh Chambers of Commerce & Industry (FMPCCI) and others. H.E. Saud A. I. Mazrouel, Director, Sharjah Airport International Free Zone (SAIF), Government of Sharjah speaking on the occasion said:

"We are looking to facilitate industries from India to increase trade relations between both the countries. Micro, Small and Medium Enterprises (MSMEs) of Madhya Pradesh will see extensive growth owing to the Free Trade Agreement (FTA) signed recently between India and United Arab Emirates (UAE). The Agreement will be enhancing agri products, Textile and food processing exports from MSMEs of Madhya Pradesh. They are improving infrastructure to suit requirements of industries and hoping to attract investments from Madhya Pradesh, which is known as the hub for MSMEs".

Speaking at the occasion, our Chairman Shri Akhilesh Rathi, who is also Vice Chairman, ASSOCHAM Madhya Pradesh State Development Council said "The Free Trade Agreement (FTA) is a great advantage for Industries products, who have lot of exposure to the UAE. The Free Trade Pact will further help in reducing competition from rival countries and boost exports from local industries."

Shri Irfan Alam Dy. Director, ASSOCHAM said the trade relations between both the countries are growing and with this FTA business will further aggravate. This trade will also boost the Government of India's Make in India and Atmanirbhar Bharat initiative by supporting MSMEs. Key areas where SMEs of Indore can invest are pharmaceuticals, food processing, textiles and so on so forth. Location of SAIF is quite strategic and exports to any part of the World can be made from there.

WORLD COTTON DAY PROGRAMME:

This year's theme for World Cotton Day (7th October) celebration was "Cotton for Good" enduring positive impact including providing employment, protecting environment and giving us natural fibers. Cotton has a negative carbon footprint, as it degrades 95% faster than polyester in waste water helping to keep environment clean. World Cotton Day and the Golden Jubilee of CITI-CDRA were celebrated in the Hall of Krishi Vigyan Kendra, Jabua. Shri N.S. Rawat, Dy. Director of Agriculture was the Chief Guest. Other Dignitaries, who attended the function included:

- Shri I.S. Tomar, Chief Scientist, Krishi Vigyan Kendra, Jabua.
- Shri Purvesh Jain, General Manager (Purchase), Indo Count Industries Ltd.
- Shri Sandeep Kumar, Head, C.S.R., Indo Count Industries Ltd.
- Shri Vinod Bafna of Bafna Fibres, Meghnagar.

Dr R.S. Tripathi, CITI-CDRA Project Coordinator, Madhya Pradesh, presided over the function. After welcoming the guests, Dr. Tripathi apprised the audience about the project activities for enhancing the production and productivity of cotton through the adoption of low-cost technologies. There was a huge gathering of farmers, including lady farmers who participated in the function. Shri N.S. Rawat, Dy. Director of Agriculture, Jabua addressed the Audience. Shri Rawat, in his address to cotton growers, urged to adopt low-cost technologies for higher income. He also emphasized on organic cotton farming for better returns. Shri Purvesh Jain, General Manager (Purchase), Indo Count Industries Ltd., Shri Sandeep Kumar, Head, C.S.R., Indo Count Industries Ltd., Shri Vinod Bafna of Bafna Fibres, Meghnagar emphasized quality cotton production for higher returns. Shri P.S. Chauhan, Project Officer, Alirajpur District proposed vote of thanks.

Another function on World Cotton Day was organized at Petlawad in the Jabua District in collaboration with Pratibha Syntex Limited, which was attended by about 400 farmers including women. Dr. R.S. Tripathi, CITI-CDRA Project Coordinator and Chief Guest addressing the session emphasized that farmers should have curiosity to improve their production, which will lead to increase in their income. He suggested that Cotton Crop should be grown as its roots go deeper in soil than any other crop and loosen the soil. Pratibha Syntex Limited, Managing Director and our Vice Chairman Shri Shreyaskar Chaudhary emphasized on preparation and utilization of bio-pesticides for better management of pests without damaging the eco-friendly pest. He expressed gratitude to the farmers for associating with the Company and apprised them that the products made from cotton grown by them are reaching to 40 countries. FPO Director Smt. Tarashila spoke about her growth story as to how she developed bio-input production in Mohankheda.

PROGRAMME ON UNION BUDGET 2022-23:

The Union Finance Minister presented the Budget-2022-23 in the Parliament on 1st February, 2022. We organized on 2nd February, 2022 a Talk on "Analysis of Budget-2022-23" jointly with The Textile Association, Madhya Pradesh Unit, Spinners Club and M.P. Mill Stores Merchants Association. The speakers included Shri Jayantilal Bhandari,

Sr. Economist, Prof. Kamlesh Bhandari, Economist, CA Shri Sunil Jain and CS Shri Ajit Jain. Shri Jayantilal Bhandari was of the view that with this Budget, India will become fastest growing economy in the World. The industrial development of the nation, employment, welfare of farmers and all other sections of the society will get a boost as it has a thrust on infrastructure development. The Schemes of Production Linked Incentive and PM MITRA are expected to further the vision of Atma Nirbhar Bharat and position India strongly on the global textile map. Prof. Bhandari said the Finance Minister has laid emphasis on developmental expenditure rather than putting control on inflation. The thrust on infrastructure will boost employment. Some of the standout proposals from Budget 2022 include setting up of Centre for Processing Accelerated Corporate Exit (C-PACE) for the reduction in timelines for winding up of companies, cross-border insolvency resolution process, replacement of Special Economic Zone Law with new legislation, introduction of a Digital Rupee, new regulatory regime for private equity and venture capital, etc. The main aim of the Budget is to increase demand and employment. CA Shri Jain explained various changes in Income Tax, Customs and provisions relating to Input Tax Credit in GST. CS Shri Ajit Jain spoke about Capital Market and was of the view that in the year 2022-23, the investor may get good returns by investment in the shares of infrastructure companies.

WEBINAR ON PRADHAN MANTRI KAUSHAL VIKAS YOJNA 3.0:

On Monday the 10th May, 2021 from 5.00 PM to 7.00 PM a Webinar on Pradhan Mantri Kaushal Vikas Yojna 3.0 was arranged by our Association jointly with Confederation of Indian Textile Industry (CITI), Man-Made Textile Research Association (MANTRA), and Textile Skill Council (TSC), which was addressed by Shri Akhilesh Rathi, Chairman, MPTMA; Shri Bharat C. Gandhi, Trustee, MANTRA; Shri S.K. Khandelwa, Dy. Chairman, CITI, Shri J.V. Rao, CEO, TSC, Dr. Swapna Mishra, Director, TSC and Dr. Vijay Yadav, Director, TSC and was attended by majority of Member Mills.

AWARDS/FALICATION/NEW PROJECTS, ETC. OF MEMBER MILLS:

1. In the month of June, 2021, Good Fashion Fund, the Fashion for Good initiated fund to drive sustainable manufacturing practices, signed its first deal of \$ 4.5 million long-term loan with Pratibha Syntex Limited to support Pratibha Syntex's planned capital expenditure for replacing machinery in the spinning, processing and garmenting divisions, as well as provide new equipment for the expansion of their activities and facilities. This will lead to a significant reduction in water, energy and chemical usage.
2. On 8th April, 2021, Mohini Health & Hygiene Limited was awarded by the Chief Minister of the State for Outstanding Performance during 1st Phase of Covid-19 for production of PPE Kits. Sanitizers and N-95 Masks. They also exported these items to 27 Countries.
3. At a function held on 18th June, 2021, the following of our Member Mills were awarded trophies by Cotton Textile Export Promotion Council (TEXPROCIL) for their export performance during 2019-20:
 - Higher Global Export: Group Companies: Vardhman Textiles Ltd.- Silver
 - Processed Yarns: Nahar Spinning Mills Ltd. – Gold
 - Yarn: Counts 50s and below: Nahar Spinning Mills Ltd. - Gold.
 - Highest Employment Generation (Overall): Vardhman Textiles Ltd. - Gold.
 - Highest Women Employment Generation: Vardhman Textiles Ltd. – Gold
4. Sagar Group, which made an investment of Rs.1,000 crore in the State and is providing direct employment to 4,000 people, its Chairman met Chief Minister of the State in July, 2021 and informed that they are coming up with a Multi-Specialty Hospital on Hoshangabad Road in Bhopal, which will provide employment to 1,000 people.
5. At the 4th Confederation of Indian Industry National Kaizen Circle Competition- in July, 2021, Vardhman Fabrics won the following Awards:
 - Best Innovative Kaizen for Quality.
 - 1st Runner up in Best Kaizen Utility & Energy Management.
6. A team of Economic Times considered Grasim Industries Limited (Staple Fibre Division) commitment towards Environmental & Social Issues in the Community in and around the plant with excellence in Water Management, pledge towards Zero Liquid Discharge, commitment towards sustainability and social economic development of Nagda through building of hospital/schools and other developmental infrastructure and awarded 'Promising Plant 2021 in August, 2021.

7. In the month of September, 2021 Vardhman Textile Limited approved modernization of Civil Hospital at Mandideep with an investment of Rs. 17 lakh, which will be utilized for modern medical equipment like Digital X-Ray Machine, Portable Fetal Doppler, Multipara Monitor, etc. Shri S. Pal Director – M.P. Locations of Vardhman Group handed over the letter to this effect to Dr. Chauhan, B.M.O. of the Hospital.
8. Pratibha Syntex Limited vertically integrated, sustainability oriented manufacturer of knitted textile products successfully completed in September, 2021 the foundational level of Supplier to Zero headed by Zero Discharge of Hazardous Chemical (ZDHC) Foundation. The Company also has certifications required for sustainable business practices, which include Zero Liquid Discharge, ISO 14001, SA 8000, Fair Trade, WRAP, OCS, GOTS, and C2C- Gold Certification. Global Recycled Standards, BCI and Bluesign.
9. Under Corporate Social responsibility, the Grasim Industries Ltd; trained and explained about methods to practice organic cotton farming to around one hundred farmers from Nipania, Atalavada, Ninavt Kheda, Kalasi, Khajuria, Palki, Piploda, and other Villages in the month of October, 2021. Earth-worm kits were also distributed to these farmers.
10. Maral Overseas Limited have been conferred with Industry Excellence Award by the Institution of Engineers (India), Shri R. P. Gautam of the Mills received the award on 26th December, 2021 at a function held at Vigyan Bhawan, New Delhi, at the hands of Shri Mahendra Nath Pandey, Minister of Heavy Industry, Government of India.
11. Pratibha Syntex Limited a vertically integrated manufacturer of Knitted textile products, in association with Fair Trade, distributed sewing machines and fixed deposits to its 3,024 employees in December, 2021. The initiative supported by elite brands like Patagonia, Prana and Pact, aims to bring visible change in overall livelihood of grass root employees, creating a more enriching work environment.
12. Vardhman Fabrics, Budhni Unit was felicitated with 'Excellent Performance in Sustainable Chemical and Waste Water Management Program' by Apparel Impact Institute on 25th January, 2022. The programme was named as CBD (Clean by Design) Sponsored by GAP and Supported by STS- Blue Win Academy, UK.
13. Maral Overseas Ltd; announced setting up a spinning unit of 18,864 spindles for producing yarn at an estimated outlay of Rs.122.94 crore. This unit is expected to commence production in 2023-24.
14. Ms. Suchita Oswal Jain, Vice Chairman and Joint Managing Director Vardhman Textiles was conferred with the title '**Leader of Change**' by the Economic Times in February, 2022. The Economic Times acknowledged the leaders, who not only achieved their business goals but also contributed to the greatest good of society.
15. In February, 2022 Vardhman Textiles announced investment of Rs.1, 603 crore in Madhya Pradesh units.
16. In February, 2022 Grasim Industries Ltd; was bestowed with two Gold Shields by Institute of Chartered Accountants of India (ICAI) one for *Sustainability Reporting (Manufacturing Sector)* and another for *Excellence in Financial Reporting Manufacturing & Trading Sector* (Turnover equal to or more than Rs. 3,000 crore) for the year 2020-21 by Dr. Jitendra Singh, Minister of State in Prime Minister's Office.
17. At a function held at Vigyan Bhawan, New Delhi, on 12th April, 2022 *Presentation of Birla Economic & Textile Research Foundation Awards* was made at the hands of Hon'ble Minister of State of Textiles, Smt. **Darshana Vikram Jardosh** and Hon'ble Minister of Agriculture & Farmers Welfare, **Shri Narendra Singh Tomar** to the following :
 - **For 2019-20:** "COVID-19 and Equipping the Textiles and Clothing Workforce" Awardee –Vardhman Textiles.
 - **For 2020-21:** "Sustainable and Innovative Manufacturing in Textile Mills" Awardee – Pratibha Syntex Limited.

18. At Bhopal on 10th April, 2022, at a function organised by Federation of Madhya Pradesh Chambers of Commerce & Industry, the following of our Member Mills were awarded at the hands of Governor of the State, Hon'ble Shri Mangubhai Patel:
- Vardhman Textiles Limited, Budhni – *Large Enterprise of the year.*
 - Candor Textiles Pvt. Ltd., Indore – *Woman Entrepreneur of the year.*
 - Pratibha Syntex Ltd., Indore – *Recruiter of the year.*
 - Bhaskar Industries Pvt. Ltd., Mandideep - *Health, Safety and Environment Friendly Enterprise.*
19. Grasim Industries Ltd. has been ranked number one in the *Debut 2021 Capri Global Capital Hurun India Impact 50*, a list of top 50 companies head quartered in India based on their alignment with the Seventeens Development Goals (SDGs).
20. Hon'ble Chief Minister of the State inaugurated the construction work of Pratibha Swaraj Private Ltd., Green Garment Factory on 2nd April, 2022 by performing the land veneration at village Nawakheda on Indore Road. The unit is likely to employ 4,000 persons. This unit has been promoted by Pratibha Syntex Limited.

AUDITORS:

M/s. R.D. Asawa & Co; Chartered Accountants, Indore appointed as Auditors for the financial year 2021-22.

MONTHLY NEWSLETTER:

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

WEBSITE (www.mptma.in):

The website of the Association is operational from 20th June, 2012.

DIRECTORY OF MEMBER MILLS:

The DIRECTORY- 2022 of Member- Mills was compiled and circulated.

ACKNOWLEDGEMENTS:

The Association places on record its sincere gratitude to the Hon'ble Union Textile Minister, Chief Minister of the State, other Cabinet Ministers of the State and Senior Officials in the various Ministries/Departments of the Centre and State for their co-operation and guidance.

The Association thanks Confederation of Indian Textile Industry (CITI), Federation of Indian Chamber of Commerce & Industry (FICCI), the Associated Chambers of Commerce and Industry of India (ASSOCHAM), All India Organisation of Employers (AIOE), Federation of Madhya Pradesh Chambers of Commerce & Industry (FMPCCI), Electricity Consumers' Society, other Industry Associations and organizations for their continued support in resolving problems of the Textile Industry from time to time.

RAW MATERIAL

Textile and Clothing Industry offers consumers one of the essentials for living in the society – the products that each one of us could not imagine doing without Textile Industry. It consumes a wide range of fibres, which include Cotton, Man-made Fibers, Wool, Silk, other miscellaneous fibers and filaments. India currently has an annual production of over 6 million tons of cotton, 22 million kilos of silk, 46 million kilos of wool and 2.63 million tons of Man-Made Fibre/ filaments, which represent roughly 25% of World production in cotton, 14% in silk, 4% in wool and 5% in Man-Made fibre.

FIBRE CONSUMPTION TREND:

In India, fibre consumption is dominated by cotton, which is about 50% of total fibre consumption. However, this trend is likely to reverse by 2030, when cotton share may be reduced to 41% and fibre consumption will be dominated by Man-Made fibres. The following table shows trend of fibre consumption in India:

Figures in Million Kgs.

Year	Total Fibre Consumption	Consumption			Consumption Share		
		Cotton	Polyester	Others	Cotton	Polyester	Others
2016	9.7	5.3	3.5	0.9	54.6	36.1	9.3
2017	10.1	5.4	3.7	1.0	53.5	36.6	9.9
2018	10.3	5.4	3.9	1.0	52.5	37.8	9.7
2019	10.8	5.6	4.1	1.1	51.8	38.0	10.2
2020	7.5	3.9	2.8	0.8	52.0	37.3	10.7
2021	11.4	5.8	4.4	1.2	50.9	38.6	10.5
2022	12.0	6.0	4.7	1.3	50.0	39.2	10.8
2025	14.0	6.5	5.9	1.6	46.4	42.2	11.4
2030	18.5	7.6	8.5	2.4	41.0	46.0	13.0

COTTON SCENARIO:

Cotton or "White Gold" holds a predominant position and is one of strongest competitive base for Indian Textile & Apparel (T&A) industry. India is one of the of top cotton growing countries in the World. Cotton is being grown in India for over 5000 years. India has the largest number of cotton farmers in the World around 10 million. This dependence of millions of farmers and people, who are indirectly associated with cotton production especially in rural areas, make cotton the back bone of Indian economy. The announcement of the first ever **Indian Cotton Brand "Kasturi Cotton"**, by the then Union Minister of Textiles, Smt. Zubin Irani, on occasion of the 2nd World Cotton Day on 7th October, 2020 was a much-awaited moment for Indian Cotton Industry. Kasturi, represent Whiteness, Brightness, Softness, Purity, Luster, Uniqueness and Indianness. India in the only Country, which produces all four species of cotton (*Gossypium Arboreum*, *G. Herbaceum*, *G. Barbadense* and *G. Hirasutum*). India has the largest acreage under cotton, which is about 40% of the World total cotton acreage. Our Country is the largest producer (about 25% global cotton production) second largest exporter next only to U.S.A. and the second largest consumer (22% of global consumption) of cotton next only to China in the World.

AREA UNDER COTTON, PRODUCTION AND YIELD:

As per available reports, India cultivates cotton in the area of 123 hectare which is 37.88 per cent of the World cultivation area. The average Kapas production is 1350 kg/hectare and average Gin out turn is around 33 per cent. The seeds are also mainly hybrid. In the season 2021-22, cotton production in the Country is estimated at 31.5 million bales (170 kg),

while cotton consumption (1000 MT) is estimated at 5.4 million tons (22.33 per cent of World). With all these achievements to its credit, the country is confronted with the challenge of overcoming low yields in large sowing areas.

The year-wise Area under cotton, Production, Consumption, Import, Export and Yield as per Cotton Advisory Board (CAB)/Committee on Cotton Production and Consumption (CoCPC) for the year 2011-12 to 2021-22 are given in the following table:

Cotton year (Oct to Sep)	Area (Lakh Hect.)	Production (Lakh Bales) (As per CAB) / CoCPC)	Yield (Kgs./Hec)	Cotton Consumption by Mills (Lakh Bales)		Import (Lakh Bales)	Export (Lakh Bales)
				Non SSI	SSI		
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	458	270.20	27.08	22.79	69.07
2016-17	108.26	345.00	542	262.70	26.21	30.94	58.21
2017-18	125.86	370.00	500	280.11	26.18	15.80	67.59
2018-19	126.14	333.00	449	270.78	22.43	35.37	43.55
2019-20	125.84	365.00	460	233.70	20.49	15.50	47.04
2020-21	132.85	352.48	451	297.45	22.42	11.03	77.59
2021-22	119.10	312.03	445	280.00	20.00	16.00	43.00

COTTON YIELD:

Gujarat, Maharashtra, Andhra Pradesh, Telangana and Madhya Pradesh have been in forefront of cotton production in the Country. The productivity in major cotton producing States and at all India level is shown in the following table:

Kgs. Per Hectare

State	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Punjab	313	537	687	539	651	690	438
Haryana	401	611	549	552	623	419	352
Rajasthan	569	596	677	743	659	675	558
Gujarat	562	678	672	575	569	541	556
Maharashtra	307	396	326	306	329	378	306
Madhya Pradesh	544	582	624	637	523	386	431
Telangana	556	579	488	388	432	418	546
Andhra Pradesh	606	684	559	411	466	449	524
Karnataka	516	600	538	379	416	481	497
Tamil Nadu	718	599	511	767	600	369	413
Odisha	408	375	428	433	400	547	551
India	458	542	500	449	460	451	445

Note: Productivity calculated including pressed cotton and loose cotton of the respective State

STATEWISE COTTON PRODUCTION :

The State-wise cotton production from 2015-16 to 2021-22 is as under:

Quantity in lakh bales of 170 kg.

State	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Punjab	6.25	9.00	11.50	8.50	9.50	10.23	6.47
Haryana	14.50	20.50	22.50	23.00	26.50	18.23	13.16
Rajasthan	15.00	16.50	22.00	27.50	29.00	32.07	24.81
Gujarat	90.00	95.00	104.00	90.00	89.00	72.18	74.82
Maharashtra	76.00	88.50	85.00	76.00	87.00	101.05	71.18
Madhya Pradesh	18.00	20.50	20.50	23.00	20.00	13.38	14.20
Telangana	58.00	48.00	55.00	42.00	54.00	57.97	60.67
Andhra Pradesh	23.75	19.00	20.50	15.00	18.00	16.00	17.08
Karnataka	19.50	18.00	18.00	16.00	20.00	23.20	19.50
Tamil Nadu	6.00	5.00	5.50	6.00	6.00	2.43	3.60
Odisha	3.00	3.00	3.50	4.00	4.00	5.51	6.26
Others	2.00	2.00	2.00	2.00	2.00	0.23	0.28
Total	332.00	345.00	370.00	333.00	365.00	352.48	312.03

STATEWISE AREA UNDER COTTON :

The State-wise area under cotton (in lakh hectares) from 2015-16 to 2021-22 is as under:

State	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Punjab	3.39	2.85	2.91	2.68	3.92	2.52	2.51
Haryana	6.15	5.70	6.65	7.08	7.01	7.40	6.36
Rajasthan	4.48	4.71	5.84	6.29	6.45	8.07	7.56
Gujarat	27.22	23.82	26.24	26.60	26.29	22.70	22.84
Maharashtra	42.07	38.00	43.51	42.18	43.69	45.44	39.54
Madhya Pradesh	5.63	5.99	6.03	6.14	6.10	5.88	5.60
Telangana	17.73	14.09	18.97	18.39	17.61	23.58	18.89
Andhra Pradesh	6.66	4.72	6.46	6.20	5.86	6.06	5.54
Karnataka	6.42	5.10	5.47	7.18	5.50	8.20	6.67
Tamil Nadu	1.42	1.42	1.83	1.33	1.28	1.12	1.48
Odisha	1.25	1.36	1.45	1.57	1.70	1.71	1.93
Others	0.50	0.50	0.50	0.50	0.43	0.17	0.18
Total	122.92	108.26	125.86	126.14	125.84	132.85	119.10

COMMITTEE ON COTTON PRODUCTION AND CONSUMPTION:

The Ministry of Textiles formulated on 14th September, 2020 a Committee on Cotton Production & Consumption (CoCPC) to estimate production, demand, export, etc. in respect of cotton. The Committee is headed by Textile Commissioner and includes members from CAI, CITI, TEXPROCIL and other stakeholders. The last Meeting of the Committee was held on 20th September, 2022, where at cotton production for 2020-21 and 2021-22 was discussed. Comparative Cotton Balance Sheet of last three years is as under:

Particulars	2019-20		2020-21		2021-22	
	Lakh Bales	'000Tons	Lakh Bales	'000Tons	Lakh Bales	'000Tons
Supply:						
Opening Stock	56.52	960.84	120.79	2053.43	71.84	1221.28
Crop	365.00	6205.00	352.48	5992.16	312.03	5304.51
Import	15.50	263.50	11.03	187.51	14.00	238.00
Total Supply	437.02	7429.34	484.30	8233.10	397.87	6763.79
Demand:						
Mill Consumption	233.70	3972.90	297.45	5056.65	280.00	4760.00
SSI Consumption	20.49	348.33	22.42	381.14	20.00	340.00
Non-Textile Consumption	15.00	255.00	15.00	255.00	16.00	272.00
Export	47.04	799.68	79.59	1319.03	43.00	731.00
Total Demand	316.23	5375.91	410.46	7011.82	359.00	6103.00
Closing Stock	120.79	2053.43	71.84	1221.28	38.87	660.79

GROWTH OF MAN-MADE FIBRES:

The production of Man-made Fibres (synthetic and cellulose) in India has not experienced rapid growth as in other Countries due to Government Policy. Indian MMF production is competitive relative to other major producing countries like, China, where energy and labour costs are on the rise, still India is second largest producer of both the polyester and viscose globally. The domestic MMF industry mainly comprises of two components i.e. polyester and viscose which, together accounts for about 94% (in volume terms). Under this, polyester accounts for about 77.5%, while viscose accounts for the remaining share. MMF is primarily used to produce 100% non – cotton fabrics and blended fabrics, which are in turn used in readymade garments, home textiles and other industrial textiles.

Overall demand for MMF and yarn (polyester and viscose) was estimated at 6.066 ktpa in the financial year 2019-20. Overall PFY demand is projected to witness 15-20% growth in the year 2021- 22. Overall PSF demand is projected to witness a growth of 14-19%. Global end-use demand for man-made fibres is expected to increase by 3.7% in 2025. Factors such as increasing use in non-woven and technical textiles, changing consumer trends including increasing emphasis on fitness and hygiene, rising brand consciousness, fast changing fashion trends, increasing women participation in workforce will further boost the demand of man-made fibres.

AVAILABILITY OF RAW WOOL & IMPORTS :

Most of the Mills have to depend on import of fine quality wool mainly from Australia and New Zealand for their fabric and hosiery production. The production and import of raw wool, etc., from 2010-11 has been as under :

Year	Quantity in Million Kgs.		
	Production of Indigenous Wool	Imports Raw Wool	Woolen & 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
2017-18	46.00	79.95	
2018-19	46.00	77.00	
2019-20		69.00	
2020-21			

INTERNATIONAL SCENARIO:

COTTON – PRODUCTION AND CONSUMPTION:

Cotton occupies a mere 3% of the World's agricultural area – yet it meets about 25% of the World textile needs. There are around 54 Countries in the World that grow cotton, of which the number that produce a significant quantity of 10,000 tons and above is about 46. The countries that can be the leading ones are India, China, U.S.A., Pakistan, Brazil and Uzbekistan. About 50% of all cotton is produced in two countries.

Three of the World's top five producers (Brazil, Pakistan and the USA) are showing increase in production as compared to 2020-21 and while that won't quite bring things back to 'normal', it is a sign that the industry's recovery is still in full swing. Current projections show an increase of 6% in global production in 2021-22 as compared to the prior season. Nowhere is that more evident than in West Africa, where all Countries are reporting production increases, with the region being up nearly 48% as compared to the 2020-21 season.

The International Cotton Advisory Committee (ICAC) has projected on 1st May, 2022 World Cotton Production and Consumption estimates for 2019-20, 2020-21 and estimates for 2021-22, which are given in the following table:

	Quantity in Million Tons		
	2019-20	2020-21	2021-22
Production	26.27	24.39	25.73
Consumption	23.05	25.66	25.63
Exports	9.21	10.60	10.15
Ending Stocks	22.12	20.63	20.46

World Cotton Production and Consumption of major producing/consuming Countries during 2017-18 to 2021-22 as reported by ICAC on 15th May, 2022 are as under:

Quantity in Million Tons

Country	2017-18		2018-19		2019-20		2020-21		2021-22	
	Prod.	Cons.	Prod.	Cons.	Prod.	Cons.	Prod.	Cons.	Prod.	Cons.
China	5.89	8.50	6.04	8.25	5.80	7.25	5.91	8.40	5.73	8.20
India	6.35	5.42	5.66	5.40	6.20	4.32	6.02	5.70	5.90	5.70
USA	4.56	0.77	4.00	0.64	4.34	0.54	3.18	0.52	3.96	0.54
Pakistan	1.80	2.35	1.67	2.36	1.46	2.20	0.96	2.15	1.08	2.15
Brazil	2.01	0.68	2.78	0.73	3.00	0.65	2.36	0.69	2.62	0.70
Vietnam	-	1.51	-	1.51	-	1.40	-	1.52	0	1.52
Bangladesh	-	1.66	-	1.58	-	1.22	-	1.64	0	1.66
RoW	6.39	5.46	5.83	5.54	5.47	5.47	5.96	5.04	6.44	5.14
World	27.00	26.35	25.98	26.01	26.27	3.05	24.39	25.66	25.73	25.63

Other major consumers include EU, Turkey, etc.

COTTON – YIELD:

ICAC has estimated the average yield in major cotton produce in countries in the World during 2021-22 as under:

Rank	Country	ProductionTons	Area Harvested'000 Hectares	Yield Kgs./Hectare
1	India	5900	12650	466
2	China	5730	3107	1844
3	U S A	3181	3347	950
4	Brazil	2678	1511	1772
5	Pakistan	981	2100	467
6	Turkey	833	480	1735
7	Uzbekistan	940	945	994
8	Australia	608	496	1226
9	Greece	305	272	1121
10	Argentina	349	410	850
	World	25733	33188	775

WORLD FIBRE CONSUMPTION:

The fibre consumption trend showing increasing dependence on MMFs globally and shown in the following table:

Year	Consumption (Million Tons)				Consumption Share %		
	Total	Cotton	Polyester	Others	Cotton	Polyester	Others
2016	91	25	50	16	27.5	54.9	17.6
2017	94	27	51	16	28.7	54.3	17.0
2018	96	26	53	17	27.1	55.2	17.7
2019	98	26	55	17	26.5	56.1	17.4
2020	74	20	41	13	27.0	55.4	17.6
2021	100	25	57	17	25.0	57.0	17.0
2022	103	26	59	18	25.2	57.3	17.5
2025	114	28	67	19	24.6	58.3	16.6
2030	136	32	81	23	23.5	59.5	17.0

Source: Wazir Advisors

COTTON COLLABORATIVE PROJECT IN MADHYA PRADESH:

This Association jointly with Government of Madhya Pradesh and Confederation of Indian Textile Industry – Cotton Development & Research Association (CITI-CDRA) has been working for the development of Extra Long Staple (ELS) Cotton in the State. The year 2021-22 is the 5th year of such activities in Madhya Pradesh. CITI - CDRA activities in Madhya Pradesh during 2021-22 were spread in 18 clusters of 1,792 villages covering a land of around 85,553 hectares in which about 64,530 farmers were included.

CITI – CDRA project activities in Madhya Pradesh are aimed at developing Ratlam, Dhar, Jhabua, and Alirajpur districts as an integrated cotton zone for promoting the cultivation of ELS Cotton. Project activities are aimed increasing awareness about the following:

- Adoption of high yielding ELS BT Hybrids.
- Timely sowing and proper gap filling to maintain the plant population.
- De-topping to arrest excessive vegetative growth.
- Adoption of timely plant protection measures by the large numbers of farmers.
- Adoption of low cost technologies by the farmers to get higher yields and reduction in the cost of cultivation.

As a result of project activities, the average yield of cotton in project areas of the nine clusters is found to be higher by about 21.8% as compared to the yield of non-project area.

Cluster wise yield in Project and Non project areas (Kgs./ha)

Cluster	Project Area		Non-Project Area		Increase %
	Range	Average	Range	Average	
Ratlam	533-700	614	467-650	564	8.9
Sailana	567-750	633	533-667	586	8.0
Bajana I	550- 667	657	500-683	594	10.6
Bajana II	567-800	682	500-700	621	9.8
Average	533-800	646	447-700	591	9.3
Jhabua	533-733	700	400-533	500	40.0
Ranapur	467-700	563	333-533	467	20.6
Petlabad	400-600	567	300-500	450	26.0
Thandla	400-667	633	367-467	440	43.9
Average	400-733	600	300-533	464	29.3
Dattigaon	333-600	533	333-500	407	31.0
Overall Average	333-800	593	300-700	487	21.8

PRODUCTION OF MAN-MADE FIBRE (VSF) IN THE STATE:

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
2012-12	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
2018-19	1,51,733
2019-20	1,04,363
2020-21	1,45,318

The production of Viscose Staple Fibre could have been much more, had the production activities of this plant not shut down every year due to non-availability of water in the summer season for 1 ½ to 2 months.

MINIMUM SUPPORT PRICE FOR KAPAS FOR 2021-22 AND 2022-23 :

The Government of India, Ministry of Agriculture & Farmers Welfare announces 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). Support prices of these two varieties were fixed at Rs.5,726 and Rs.6,025 per quintal for the season 2021-22. Based on the support price for these two basic varieties vis-à-vis the normal price differential and other relevant factors, the Textile Commissioner announced the support price for other varieties of kapas vide his Notification dated 22nd September, 2021 for 2021-22 cotton season (October-September).

The Cabinet Committee on Economic Affairs (CCEA) Chaired by the Prime Minister on 8th June, 2022 has approved the increase in Minimum Support Price of cotton for the season 2022-23, which is as under :

Cotton	Rate Rs. Per Qtl.		
	2022-23	2021-22	Increase
Medium Staple	6080	5726	354
Long Staple	6380	6025	355

The Textile Commissioner announced the support prices for other varieties of kapas for the season 2022-23 on 29th August, 2022.

A comparison of Minimum Support Prices for 2022-23 and 2021-22 cotton seasons (October-September) is as under :

Class of Cotton	Fibre Quality Parameters		Minimum Support		Names of the Indicative varieties used by the Trade.
	Basic Staple Length (2.5% Span Length) in mm	Micronaire Value	Price Rs. per Qtl.		
			2022-23	2021-22	
(I)	(II)	(III)	(IV)	(V)	(VI)
Short Staple (20 mm & below)					
	-	7.08-8.0	5580.00	5226.00	Assam Comilla
	-	6.8-7.2	5580.00	5226.00	Bengal Deshi
Medium Staple (20.5 mm- 24.5 mm)					
	21.5-22.5	4.2-6.0	5830.00	5476.00	V-797/G.Cot.1.3/GCot.21
	21.5-23.5	4.8-5.8	5880.00	5526.00	Jayadhar
	23.5-24.5	3.4-5.5	5930.00	5576.00	AK/Y-1(Mah& MP)/MCU7(TN)/SVPR-2(TN)/
					PCO-2(AP &Kar)/L-11(TN)
Medium Long Staple (25.0mm)					
	24.5-25.5	4.3-5.1	6080.00	5726.00	J-34 (Raj)
	26.0-26.5	3.4-4.9	6180.00	5826.00	LRA-5166/KC-2(TN)
	26.5-27.0	3.8-4.8	6230.00	5876.00	F-414/H-777/j-34 Hybrid
Long Staple (27.5 mm-32.0mm)					
	27.5-28.5	4.0-4.8	6280.00	5925.00	F-414/H-777/J-34Hybrid
	27.5-28.5	3.5-4.7	6280.00	5925.00	H4/H- 6/MECH/RCH-2
	27.5-29.0	3.6-4.8	6330.00	5975.00	Shankar-6/10
	29.5-30.5	3.5-4.3	6380.00	6025.00	Bunny/Brahma
Extra Long Staple (32.5 mm & above)					
	32.5-33.5	3.2-4.3	6580.00	6225.00	MCU-5/Surabhi
	34.0-36.0	3.0-3.5	6780.00	6425.00	DCH-32
	37.0-39.0	3.2-3.6	7580.00	7225.00	Suvin.

The other terms and conditions specified in this Notification were almost similar to those of the previous ones.

COTTON PRICE TREND:

Cotton prices have been out of control since October, 2021. During the cotton season 2021-22, though the season started with a comfortable opening stock of 75 lakh bales (One bale =170 kg) and an estimated crop of 360 lakhs bales, the cotton prices started skyrocketing from the beginning of the season owing to the unprecedented volatility in the international cotton prices.

Cotton is a commodity, which has a global supply chain. So, the supply from key cotton producing countries impacts cotton prices. Cotton prices are mostly governed by the global prices, which determine the prices in India as well. To some extent it also depends on the Minimum Support Price (MSP) of the cotton.

The continued surge in domestic cotton prices during November, 2021 was led by a rise in international and domestic demand along with minimal opening stock, despite new cotton arrivals and nil procurement by the Cotton Corporation of India. Besides that, it estimated a decline in inventory levels by the end of the current cotton season with a lower opening stock and slightly higher consumption.

The surge in oil prices also impacted the high prices in the cotton industry. Cotton yarn prices increased three percent month-on-month in February, 2022 due to the rise in cotton prices as well as due to a reduction in the production amid the high export and domestic demand. The spreads increased up to Rs.60.14 per kg in February, 2022. High cotton prices amid estimates of lower output left textiles and garment units concerned about cancellation of orders from traditional buyers and losing business to competitors like, Bangladesh, Vietnam and China.

In the spot market, prices of the popular cotton variety have more than doubled to Rs. 90,000 per candy of 356 kg as against the same period a year ago. A just 29 mm cotton crossed Rs.1,00,000 mark per candy of 356 kgs. Mills were forced to cut down on working hours and slash production due to high input cost and reduced demand in the market.

On 13th April, 2022, the Government decided to exempt all Customs Duty on import of cotton to lower the price of cotton in the public interest. This exemption was to benefit the textile chain- yarn, fabric, garments and made ups and provide relief to textile industry and consumers. Industry has been demanding removal of 5% Basic Customs Duty (BCD) and 5% Agriculture Infrastructure and Development Cess (AIDC) on raw cotton. The Central Board of Indirect Taxes and Customs (CBIC) notified the exemption from Customs duty and Agriculture Infrastructure Development Cess for import of cotton with effect from 14th April, 2022 to remain in force up to and inclusive of the 30th September, 2022. This exemption has been extended till 31st October, 2022.

It was believed that following the removal of the import duty on cotton, there would be huge imports into India, but most of the spinners did not show interest as international prices of cotton are on the higher side. As per Cotton Association of India, the decision came a couple of months late and if it had been taken before February, 2022 the prices of cotton might have remained under control.

On 26th April, 2022 Shri U.P. Singh, Union Textile Secretary told that cotton prices are unlikely to decline before October, 2022, when the new cotton crops arrive. Cotton prices have been a "dampener" and the problem could persist for some time as there is a global shortage of cotton. Cotton prices have not softened as was expected. It is not rising too it's stagnant at a point.

Shri Piyush Goyal, Union Minister of Textiles, Commerce & Industry and Consumer Affairs, Food & Public Distribution announced on 18th May, 2022 formation of an Advisory Group called Textile Advisory Group (TAG), under Chairmanship of Shri Suresh Bhai Kotak, a renowned veteran cotton man, with representation from Ministry of Textiles, Ministry of Agriculture, Ministry of Commerce, Ministry of Finance, Commerce and Industry, Cotton Corporation of India and Cotton Research Institutes. The Group will discuss, deliberate and prepare a robust action plan for bringing out a tangible improvement in the field of cotton.

The average spot rates of cotton during the financial years 2020-21 and 2021-22 have 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	
	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22
April	48250	60340	36300	47500	35500	47000	53000	77800
May	45760	66710	34000	50200	34800	49500	53500	83200
June	46420	47990	33300	52500	33000	52500	54,000	85000
July	46810	51500	34500	56800	34000	57800	55000	97500
August	50380	50305	37000	56000	36700	56500	52000	96800
September	51440	50490	35,990	42,227	35,453	41,093	56,250	56,250
October	55025	61160	39500	63000	39800	62500	58300	125000
November	57680	61060	42000	65800	42500	66000	57500	119000
December	58210	64030	43600	69300	42900	68500	58300	125000
January	59680	71450	44500	77500	43800	77000	63000	128000
February	61270	73770	47000	79800	45000	77000	70000	106500
March	60740	88190	46500	94000	45300	93000	74000	115000
April	60340	89120	47500	96700	47000	96000	77800	116000
May	66710	102120	50200	103000	49500	100000	83200	109000

Source: Indian Cotton Federation 15th June, 2022 (one candy- 355.56 kgs.).

OTHER RAW MATERIAL PRICES :

As per information available from the website of Office of Textile Commissioner, the prices of various items of raw material have been as under:

Rate-Rs/kg.

Period	PSF	PFY	Raw Wool (Imported Marino)
2015-16	93.49	96.13	667.45
2016-17	91.37	93.28	750.40
2017-18	101.65	101.09	807.72
2018-19	125.20	118.59	1175.02
2019-20	107.52	99.26	933.66
2020-21			
2021-22			

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. The demand for Organic Cotton is rising with people become more conscious for environment and health. According to Organic Cotton Market Report 2021 of Textile Exchange, the World production of Organic Cotton has risen from 610 tons in 2001 to 2,49,153 tons in 2020. Organic Cotton is grown in 21 countries and around 98% of global organic cotton production comes from just seven countries. Presently, it is grown on 5,88,425 hectares of land and 2,29,280 farmers are involved. The top five organic cotton producing countries are India (49.8%), China (12.3%), Kyrgyzstan (11.8%), Turkey(9.7%), Tanzania (4.5%), Tajikistan (4.2%) and USA (2.8%) accounting for 95.00% of the total production. The World Organic Cotton production during last five years have been as under :

Year	Quantity in Tons
2015-16	1,07,980
2016-17	1,17,525
2017-18	1,80,871
2018-19	N.A
2019-20	2,49,153
2020-21	

According to this report of Textile Exchange 1,24,244 tons (40.8% of Global production) of Organic Cotton was grown in India on 2,85,196 hectares of land by 1,64,677 farmers in the year 2019-20. The details of year-wise Organic Cotton production in India are as under :-

Year	Quantity in Tons
2015-16	60,184
2016-17	59,470
2017-18	85,530
2018-19	1,22,668
2019-20	1,24,244
2020-21	

As per the Textile Exchange Report, the State-wise production of Organic Cotton in 2017-18 and 2019-20 has been as under:

State	Quantity in Tons	
	2017-18	2019-20
Odisha	24,801	38,226
Madhya Pradesh	24,539	31,339
Gujarat	17,744	20,714
Maharashtra	12,593	23,577
Rajasthan	4,919	8,588
Telangana	488	497
Karnataka	446	426
Tamil Nadu	Nil.	877

INDIAN GOVERNMENT VIEW ON ORGANIC COTTON:

However, as per information given by Minister of State for Heavy Industries, Shri Krishan Pal Gurjar in Rajya Sabha on 11th February, 2022 the production of organic cotton in India during 2020-21 has been 8,10,934 tons against 3,35,702 tons in 2019-20. State wise details of organic cotton production during 2016-17 to 2020-21 are as under:

State	Quantity in Tons				
	2016-17	2017-18	2018-19	2019-20	2020-21
Madhya Pradesh	74,027.06	82,737.87	91,925.51	87,701.23	3,83,133.39
Maharashtra	21,455.54	33,447.94	58,423.37	63,720.29	1,68,009.36
Gujarat	22,364.55	55,858.71	51,020.28	55,898.80	85,282.60
Odisha	23,034.40	58,545.71	74,001.57	1,03,312.96	1,06,495.89
Rajasthan	13,625.58	15,412.85	34,033.27	23,211.39	59,173.29
Karnataka	20.08	578.86	363.55	1,152.12	2,998.09
Tamil Nadu	0.00	0.00	1,790.42	2,369.82	3,771.77
Telangana	439.26	856.00	1,316.74	1,343.86	1,561.88
Bihar	0.00	0.00	1.16	1.16	7.47
Total	1,54,966	2,47,438	3,12,876	3,35,712	8,10,934

BETTER COTTON INITIATIVE:

The Annual Report of Better Cotton Initiative (BCI 2021), a Switzerland based Not for Profit Organisation states 2.2 million farmers were licensed Worldwide to sell Better Cotton in 2020-21 and they produced 23% of global cotton production. Better Cotton is available in 23 cotton producing countries after only ten years of operation. During cotton season 2020-21, 46,92,809 of tons of Better Cotton lint was produced Worldwide. There was decrease of 25% in production compared to season 2019-20.

Better Cotton is produced in 10 States in India and there were 9,09,905 BCI Farmers producing Better Cotton lint of 8,29,508 tons on 13,36,606 hectares in cotton season 2020-21.

MANDI TAX ON COTTON:

From 8th January, 2019, Mandi Tax @ Rs.1.50 per Rs. One Hundred is applicable on cotton.

PRODUCTION OVERVIEW

India's Textile Sector is one of the oldest industries in Indian Economy, dating back to several centuries. The textile and apparel industry of India has strengths across the entire value chain. It is highly diversified with a wide range of segments ranging from products of traditional handlooms, handicrafts, wool, silk and similar products to the organized capital intensive technological progressive industry for mass production of textile products and includes Spinning, Weaving, Knitting, Processing and apparel manufacturing.

The domestic Textile Industry stood at \$ 143.0 billion in 2021-22 of which \$ 99.0 billion was domestically consumed, while the remaining portion worth \$ 44.0 billion was exported to World market. The performance during the year was affected due to Covid-19 pandemic. It contributes 5% to GDP of the Country, 7% of industry output in value terms and 12% to Country export earnings. It is 6th largest exporter of textile and apparel in the World.

As per Wazir Advisors, Indian domestic textile and apparel market is estimated to recover and grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. Apparel constitutes 73% share of the total Textile & Apparel market in India, whereas technical textile constitute 19% and home textiles 8%.

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 six years show the growth pattern of the industry: -

Basic Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Textiles	119.40	117.40	117.10	118.40	115.70	91.10	118.00
Growth (%)		(-)1.68	(-)0.26	1.36	(-)2.50	(-)21.60	29.50
WearingApparel	131.00	151.70	137.50	154.20	154.60	108.40	139.20
Growth (%)		15.10	(-)10.32	12.15	1.00	(-)29.8	28.40

NATIONAL TEXTILE POLICY :

The National Textile Policy of 2002 continues. The Ministry of Textiles on 17th June, 2013, constituted an Expert Committee under the Chairmanship of Shri Ajay Shankar, Member Secretary, National Manufacturing Competitiveness Council (NMCC) to review the National Textile Policy : 2002 and formulate the new National Textile Policy. On 28th July, 2014, the Committee submitted its Report "Vision, Strategy and Action Plan for Indian Textiles & Apparels" to the Textile Minister. This Policy aims to achieve US\$ 300 billion worth of textile exports by 2024-25 and create additional 35 million jobs. However, the new National Textile Policy is yet to be notified.

On 12th April, 2022 Hon'ble Minister of State for Textile, while inaugurating CMAI FAB SHOW stated that all Concerned Departments and Ministries have smooth coordination and hence, there is no need of a New Textile Policy.

GROWTH OF TEXTILE INDUSTRY :

The global pandemic Covid-19 affected various industrial sectors in the Country including the textile sector. The Government has taken a number of initiatives/measures to help ameliorate the conditions in textile sector to boost production, marketing and job opportunities in the sector on pan-India, some of which are:

- To boost production and exports in Man Made Fibre (MMF) sector Government removed anti-dumping duty on PTA (Purified Terephthalic Acid), Viscose Staple Fibre and Acrylic.
- The Government approved setting up of Seven Pradhan Mantri Mega Integrated Textile Region and Apparel (PM MITRA) Parks in Greenfield/Brownfield site with an outlay of Rs.4,445 crore for a period of seven years up to 2027-28. These Parks will enable the textile industry to become globally competitive, attract Large Investment and boost employment generation. Our State has submitted Proposals for PM MITRA Parks at Ratlam, Dewas, Dhar and Katni.

iii. The Government approved the Production Linked Incentive (PLI) Scheme for Textile with an approved outlay of Rs.10,683 crore, to promote production of MMF Apparel, MMF Fabrics and Products of Technical Textiles in the Country to enable Textile sector to achieve size and scale and to become competitive. The Ministry of Textiles issued Production Linked Incentive (PLI) Scheme for Textiles on 24th September, 2021. Incentives under the Scheme will be available for five years period, i.e. during financial year 2025-26 to financial year 2029-30 on incremental turnover achieved during financial year 2024-25 to 2028-29. However, if a company is able to achieve the investment and performance targets one year early, then they will become eligible one-year in advance starting from 2024-25 to 2028-29 i.e. for 5 years. The Scheme is intended to promote production of MMF Apparel & Fabrics and Technical Textiles products in the Country to enable Textiles Industry to achieve size and scale to become competitive and a creator of employment opportunities for people. The scheme has two parts – one with minimum investment of Rs. 300 crore and turn over Rs. 600 crore and another with minimum investment of Rs. 100 crore and turn over Rs. 200 crore. Some of the common conditions of the Scheme are as under:

- a. Turnover of notified products removed from factory based on GST Invoice and realized only through banking channels only will be considered.
- b. Provision of a cap of 10% over the prescribed minimum incremental turnover growth of 25% for calculation of incentive from year 2nd onward.
- c. Turnover achieved from trading and outsourced job work will not be considered.
- d. Based on availability of funds, entry of new entrant in the Scheme will be allowed till financial year 2022-23, investment to be completed by 2023-24 and production must start in financial year 2024-25. The Government is planning to roll out a Second PLI Scheme for labour intensive Garment Sector. Under the Scheme incentives of Rs 6,013 crore will be extended.

Two of our Member Mills namely Pratibha Syntex Ltd., and Mohini Health & Hygiene Ltd., have been selected for Part-I and Part-II of the Scheme respectively.

- iv. Government has allocated an outlay of Rs. 1000 crores for advance research and innovation in Technical Textiles at par with the best in the World. Research topics in categories covering, specially fibres and composites, geo textiles, agro textiles, protective textiles, medical textiles, defense textiles, sport textiles, and environmentally friendly/biodegradable technical textiles have been identified and research proposals have been invited. Thirty one (31) research projects have been approved so far, to various research institutes covering IITs, DRDO (Defense Research & Development Organisation) CSIR (Council of Scientific and Industrial Research) and Textiles Research Association, with total estimated cost of Rs.110 crore.
- v. The organised Sector is dominated by spinning units, which, in terms of numbers, account for 80% the units in this Sector. 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, which has been compensated by emergence of decentralized powerloom and hosiery sectors in a big way. With the thrust on weaving/technical textiles sector, these sectors are expected to grow.
- vi. The Textiles Technology Development Scheme (TTDS), will substitute the Technology Up-gradation Fund Scheme (TUFS) that is valid up to 31st March, 2022. The Government aims to draw large-scale investments about Rs.1.1 trillion through the Scheme over five years through March, 2027. The draft scheme has two main parts. The first one aims to promote textile machinery manufacturing in India in line with Atmanirbhar Bharat and substitute imports. The second part of the Scheme proposes to support for modernization of various segments and weak links in textile value chain with a focus on sustainability, Compliance, Innovation and Job Creation to improve scale and technology simultaneously.

The Scheme will work on the lines of Production Linked Incentive Scheme.

STATUS OF INDUSTRY:

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

As per International Textile Manufacturers Federation Statistics - 2020 the position is as under:

		World	India
1	Spindles	221 Million	55 Million
2	Shuttle Looms	10 Million	45,500 Nos.
3	Shuttle less Looms	1.6 Million	1,25,000 Nos.
4	Consumption :		
	Cellulosic Fibre	4.70 Million tons	0.42 Million tons
	Raw Cotton	23.30 Million tons	5.00 Million tons
	Synthetic Staple Fibre	13.30 Million tons	1.30 Million tons

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/Non-Cotton Yarn		Total MnKgs
	MnKgs	%age share	MnKgs.	%age share	
2010-11	3490	74.05	1223	25.95	4713
2011-12	3126	71.60	1246	28.40	4372
2012-13	3583	73.60	1285	26.40	4868
2013-14	3923	74.09	1386	25.91	5309
2014-15	4055	73.97	1433	26.03	5488
2015-16	4138	73.06	1527	26.94	5665
2016-17	4055	71.66	1604	28.34	5659
2017-18	4064	71.56	1616	28.44	5680
2018-19	4208	71.44	1682	28.56	5890
2019-20	4050	70.89	1663	29.11	5713
Apr-Jan 2020-21	2945	70.69	1221	29.31	4166
Apr-Jan 2021-22	3410	70.00	1462	30.00	4872

PRODUCTION OF FABRIC:

The production of cloth is mainly in decentralized sector. Power-loom sector accounts for 59%, hosiery units 26% and handloom around 12% of total cloth production. Organised sector weaving mills account for only 3% of cloth production. The following table gives the production and percentage share of fabric production in two sectors:

	Production Mn. Sq. Mtrs.				Percentage share			
	2018-19	2019-20	2020-21	2021-22	2018-19	2019-20	2020-21	2021-22
Cotton	42204	40038	36344		060.23	53.31	51.29	
Blended	11896	11964	10513		16.98	15.93	14.93	
100%Non	15970	23104	23588		22.79	30.76	33.48	
Total	70070	75106	70445		100.00	100.00	100.00	

PRICE MOVEMENT OF TEXTILE ITEMS:

The price movement (average) of major textile items during the last seven years has been as under:

Period	Hank Yarn	Cone Yarn	PF Yarn (126D)	Tex. Yarn	Rate- Rs/Kg.
					Hosiery Yarn
2015-16	224.32	184.17	96.13	100.20	202.90
2016-17	240.90	190.18	93.28	98.40	209.96
2017-18	259.97	194.22	101.09	103.66	216.31
2018-19	269.26	216.44	118.59	122.74	232.01
2019-20	267.19	200.29	122.86	125.56	224.72
2020-21					
2021-22					

Source: Ministry of Textiles.

GROWTH OF TEXTILE INDUSTRY IN THE STATE:

As per information submitted by Hon'ble Minister of State for Textiles in Lok Sabha on 8th December 2021, and on 6th April, 2022 in Rajya Sabha the structure of Textile Industry in the State is as under:

Textile Mills :	India	Madhya Pradesh.
Units /Mills	1,381	39
Power-looms - Units	3,85,596	8,344
Power-looms - Nos	24,86,419	39,979
Shuttle less Looms 200MS – Nos.	1,03,141	1,063
Handlooms - Nos.	28,23,382	12,069
Man-made fibre Units (Viscose)	32	1
Knitted RMG Units	18652	4
Woven RMG Units	52,827	965

The figures of spun yarn and fabrics production in the State since 2013-14 are as under:

Quantity : Yarn '000 Kgs., Fabric '000 sq. Mtrs.

Yarn	2013-14		2014-15		2015-16		2016-17	
	Yarn	Fabric	Yarn	Fabric	Yarn	Fabric	Yarn	Fabric
Cotton	2,99,696	1,17,412	3,30,074	1,64,843	3,48,605	1,82,155	3,26,350	1,67,818
Blended	75,002	43,909	76,281	62,175	78,842	49,285	86,213	56,304
100%NonCotton	26,369	362	26,000	1,513	31,531	1,611	36,936	1,467
Total	4,01,067	1,61,683	4,32,355	2,28,531	4,58,978	2,33,051	4,49,599	2,25,589

The figures of spun yarn and fabric production beyond 2016-17 are not available.

HANK YARN OBLIGATION:

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.

Actual Hank Yarn requirement by the Handloom Sector is less than 8% of weaving yarn delivered to the domestic market. Hence, the Government should further reduce this Obligation to 15%. 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). It is mandatory for all units to submit the Returns from January-March, 2015.

TECHNICAL TEXTILES:

Technical textiles refer to textile material primarily used for their technical performance and functional properties. Based on product characteristics, functional requirements and end user application, technical textile products have been classified in 12 categories.

With a view to boost technical textiles sector in the Country, the Government has approved the proposal for creation of National Technical Textiles Mission (NTTM) for a period of 4 years (2020-21 to 2023-24) with an outlay of Rs.1,480 crore. The National Technical Textile Mission will -

- focus on research and innovation and indigenous development of specialty fibres from Carbon, Nylon-66, Glass, Aramid and other high technology polymers; increase application of geo-textiles, agro-textiles, medical textiles, protective textiles and other segments of technical textiles in various application areas;
- promote awareness amongst users, bring in large scale investments, and encourage high-end technical textiles products.
- enhance India's exports of technical textiles by 2024 through focused attention on highest traded products;
- create a robust human resources in the Country, both through specialized higher education and skill development of technical manpower of the country.

There has been a significant growth in India's technical textiles market at a CAGR of 10% from 2005-2006 to 2020-21. It was estimated at \$ 17.6 billion in 2020-21. Impact of Covid-19 caused a decline of around 12% in the market size in 2020-21. The focus on Meditech Product (Masks, coveralls, etc.) prevented Industry from a major decline. Exports/Imports of Technical Textiles by India has been as under:

Value: US\$ Million

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Exports	1,528	1,388	1,718	1,978	2,423	2,370
Imports	1,655	1,672	2,105	2,209	1,703	1,395

Our Member Mills- Pratibha Syntex Ltd., SRF Limited and Mohini Health & Hyegine Pvt. Ltd., are working in this segment.

POLICY FOR PROMOTION OF TEXTILE INDUSTRY IN THE STATE:

The Industrial Promotion Policy-2014 (amended as of October, 2019) of the State as issued by the Department of Industrial Policy and Inventory Promotion continues to be in operation.

The Department of Micro, Small & Medium Enterprises issued on 13th August, 2021, Madhya Pradesh MSME Vikas Neeti- 2021 and Madhya Pradesh MSME Protsahan Yojna- 2021. Under this Policy, a special package has been announced for textile industry, which include interest subsidy ranging from 2% to 7% for a period of five years in respect of term loans taken for plant and machinery of Rs.10 to 50 crore approved under ATUFS. The other benefits include reimbursement of quality certification cost, patent registration expenditure, expenditure on infrastructure development, etc. Separate provisions have been made for power-looms and garments sector.

FOREIGN DIRECT INVESTMENT:

The Government has allowed 100% Foreign Direct Investment in the Textile Sector. The yearwise in flow of FDI from 2015-16 is as under:

Financial Year	Inflow of FDI in India				
	Total (all sectors)		Textiles (Including Dyed, Printed)		% of FDI in Textiles in terms of Rs.
	Rs.	US\$	Rs.	US\$	
2015-16	2,623.21	40.00	17.00	0.26	0.66
2016-17	2,916.96	43.48	41.47	0.62	1.42
2017-18	2,888.89	44.86	29.24	0.46	1.01
2018-19	3,098.67	44.36	13.84	0.19	0.44
2019-20	3,535.58	49.97	22.76	0.32	0.64
2020-21	4,425.69	59.64	22.55	0.37	0.71
2021-22	4,731.88	58.77	18.55	0.24	0.69
Grand Total from 2000 - 01	36,122.00	583.53	2439	3.99	0.68

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 slow. The weakness lies in under developed infrastructure and restrictive operative environment and lack of trade agreements with key markets .

EXPORTS & IMPORTS

The two financial years 2019-20 and 2020-21 have been most challenging years for the Textile & Apparel Industry because of onset of Covid-19 pandemic. The Industry has to face month long lock-down at a stretch losing production and exports. India's Textile & Apparel (T&A) exports, which fell by around 15% to reach US\$ 30.9 billion in 2020-21, grew to US\$ 44.4 billion in 2021-22. Category wise apparel exports contribute with a share of 37%, which is followed by home textiles with a share of 16%, fabric with a share of 14% and yarn of 15% respectively.

India is the second largest textile and apparel exporter for the entire value chain from natural fibres to man-made fibres. In global textile trade in 2020, China had 38% share, followed by Vietnam, Bangladesh and Germany and India 5% each etc. India's share in cotton spun yarn exports was 23%, in Natural fibre 10%, in Manmade spun yarn 6% in 2020.

FOREIGN TRADE POLICY 2015-20:

The Foreign Trade Policy 2015-20 was unveiled by the Minister of Commerce & Industry on 1st April, 2015. The same has been extended till 30th September, 2022.

REBATE OF STATE AND CENTRAL EMBEDDED TAXES & LEVIES ON EXPORT OF GARMENTS AND MADE-UP ARTICLES:

- i. The Government approved Scheme for Remission of Duties and Taxes on Export Products (RoDTEP) for all export goods excluding garments and made-ups with effect from 1st January, 2021 to boost exports and for making them globally competitive. Under this Scheme, embedded Central, State and local duties/taxes are refunded to the exporters. RoDTEP rates as % of FOB were notified on 17th August, 2021. The Department of Commerce has notified on 11th May, 2022 a new RoDTEP Schedule (Appendix 4 R) for implementation with effect from 1st January, 2022 after aligning the earlier Schedule with the Customs Tariff Schedule as per Finance Act, 2021. Another Schedule has been notified on 1st June, 2022, effective from 1st May, 2022, which is aligned with Finance Act, 2022.
- ii. On 13th August, 2021, the Government issued Notification to continue Rebate of State and Central Taxes and Levies (RoSCTL) Scheme with effect from 1st January, 2021 till 31st March, 2024 for textile exports of Apparel / Garments (Chapters 61 & 62) Made-ups (Chapter-63) in exclusion from RoDTEP Scheme for these chapters. The other products (excluding Chapter 61, 62 and 63), which are not covered in RoSCTL shall be eligible to avail the benefits, if any, under RoDTEP along with other products.

IMPORTANT NOTIFICATIONS:

The Director General Foreign Trade issued many Notifications/ Circulars during the year. Some of the important ones are:

- Public Notice No.3/2015-2020 dated 30th April, 2021, the fee per Certificate has been enhanced from Rs.100/- to Rs.200/- by amending Para - 2.108(c) (iv) of Hand book of Procedures: 2015-20.
- Notification dated 12th July, 2021 : an exporter shall furnish quarterly return/details of his export of different commodities to concerned registering authority. However, the status holders shall also send quarterly returns to FIEO in format specified by FIEO.
- Public Notice dated 13th April, 2022: request for export obligation extension can be made within six months of expiry instead of 90 days prescribed earlier.
- Trade Notice dated 29th April, 2022: the Provisional Certificate of Origin (CoO) for exports to U.A.E. under India UAE CECPA shall be issued for CoO e- platform with effect from 1st May, 2022.

DUTY DRAWBACK RATES:

The Central Government notified revised All Industry Rates of Duty Drawback on 28th January, 2020, which are effective from 4th February, 2020.

INTEREST EQUALISATION SCHEME:

Reserve Bank of India notified on 4th December, 2015, Interest Equalisation Scheme on Pre and Post Shipment Rupee Export Credit effective from 1st April, 2015. As per Circular dated 8th March, 2022, Scheme has been extended till 31st March, 2024. The interest equalization @ 3% per annum will be available on exports under 416 Tariff Lines, which include readymade garments and made-ups, fabric of all types, etc. MSME manufacturer exporter will be provided interest equalization @ 3%, Manufacturing Exporters and Merchant Exporters will get @ 2%.

VALUE OF RUPEE:

During the year, there were ups and downs in the value of Rupee against US Dollar.

Average rates during the year 2021-22 were as under

Month	April 2021	May	June	July	Aug	Sept	Octo	Nov	Dec	Jan 2022	Feb	March 2022
Re/Dollar	74.48	73.20	73.62	74.54	74.11	73.61	74.92	74.48	75.43	74.47	74.99	76.24

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. 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 2014-15 are given below:

Year	Export of all Commodities	Export of Textiles & Clothing (includes jute, coir and handicrafts)	Value in US\$ Million
			Share textile, clothing in in total export
2014-15	3,10,338	40,068	12.91
2015-16	2,62,291	38,984	14.86
2016-17	2,75,852	39,110	14.17
2017-18	3,03,526	39,296	12.95
2018-19	3,29,536	40,362	12.25
2019-20	3,13,139	36,943	11.80
2020-21	2,91,808	30,904	10.60
2021-22	4,21,890	44,263	10.49

Bangladesh exports products at zero duty to US and EU, which together account for 65% of our supplies. Average tariff levied on Indian exports is around 5.90% in EU and 6.20% in US compared to 0% and 3.90% on exports from Bangladesh.

EXPORT OF COTTON TEXTILES:

In the Financial Year 2021-22, export of cotton textiles increased by 54% to a level of US\$ 16.42 billion from US\$ 12.00 billion in the previous year. The item-wise details and their share in exports are given below:

Commodity	Value US \$ Billion					Percentage Share				
	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Yarn	3.42	3.90	2.77	2.80	5.52	32	34	27	33	40
Fabrics	2.16	2.42	2.23	2.00	3.11	20	21	24	22	23
Mad-ups	5.13	5.25	3.72	3.98	5.00	48	45	49	45	37
Total	10.71	11.57	8.72	8.78	13.63	100	100	100	100	100

Source: TEXPROCIL

The export of cotton textiles inclusive of cotton fiber, their value in INR, in US \$ and growth percentages during the year 2016-17 to 2021-22 have been as under:

Year	Cotton Fibre			Total Cotton Textiles			Total Cotton Textiles (Incl. Raw Cotton)		
	Billion			Billion			Billion		
	INR	US \$	% Growth	INR	US \$	% Growth	INR	US \$	%Growth
2016-17	109.82	1.63	-	717.03	10.70	-	826.85	12.33	-
2017-18	121.56	1.89	15.95	690.76	10.71	0.09	812.32	12.60	2.19
2018-19	146.28	2.10	11.11	808.40	11.56	7.94	954.68	13.66	8.41
2019-20	75.40	1.05	-50.00	722.48	8.73	-25.48	797.88	9.78	28.40
2020-21	139.68	1.89	80.00	748.59	8.78	0.57	888.27	10.67	9.10
2021-22		2.82	49.20		13.60	55.23		16.42	53.88

Source: TEXPROCIL

COUNTRYWISE EXPORT OF COTTON TEXTILES:

The details of export of all cotton textile items to major fifteen Countries during the years 2019-20 to 2021-22 are as under:

Country	Million United States Dollar			Percentage Share		
	2019-20	2020-21	2021-22	2019-20	2020-21	2021-22
World	8721.71	8768.25	13607.18	100.00	100.00	100.00
United States	2252.43	2604.54	3311.98	25.83	29.70	24.34
Bangladesh	1068.30	1018.68	3015.92	12.25	11.62	22.16
China	611.32	694.04	799.84	7.01	7.92	5.88
Srilanka	388.30	318.83	479.66	3.88	3.64	3.53
South Korea	195.75	204.79	297.80	2.24	2.34	2.19
Egypt	222.16	145.13	281.90	2.55	1.66	2.07
Portugal	160.42	131.58	267.56	1.84	1.50	1.97
Germany	239.75	219.72	264.45	2.75	2.51	1.94
United Kingdom	218.82	198.70	243.84	2.51	2.27	1.79
Vietnam	137.94	184.11	220.28	1.58	2.10	1.62
Turkey	77.31	70.31	218.88	0.89	0.80	1.61
UAE	163.47	189.08	215.82	1.87	2.16	1.59
Peru	142.56	150.82	212.84	1.63	1.72	1.56
Colombia	117.59	103.29	206.20	1.35	1.18	1.52
Italy	123.62	97.63	168.59	1.42	1.11	1.24

Source: TEXPROCIL

EXPORT OF MAN-MADE FIBRE (MMF) TEXTILES:

In the Financial Year 2021-22, export of MMF Textiles increased by 45.83 % to level of US \$ 6774.06 million from US\$ 4645.15 million in the previous year. The item wise details and their share in exports are given below:

Commodity	Value US\$ Million					Percentage Share				
	2017-18	2018-19	2019-20	2020-21	2021-22	2017-18	2018-19	2019-20	2020-21	2021-22
Yarn	1950.52	2035.89	1769.87	1346.75	2322.69	32.38	33.16	30.00	29.00	34.28
Fabrics	1995.70	1959.41	2158.25	1544.46	2005.03	33.14	31.92	36.58	33.25	29.60
Made-ups	1490.64	1572.79	1469.35	1380.69	1766.78	24.74	25.62	24.90	29.72	26.08
Fibre	586.81	570.80	503.02	373.25	679.56	9.74	9.30	8.52	8.03	10.04
Total	6024.08	6138.89	5900.49	4645.15	6774.06	100.00	100.00	100.00	100.00	100.00

Source: SRTEPC

The export of Man-Made Textiles inclusive of MM fibre, their value in US\$ and growth percentage during the years 2016-17 to 2021-22 have been as under :-

YEAR	M.M.FIBRE		MMF TEXTILES		TOTAL	
	US\$ Mn.	% Growth	US\$ Mn.	% Growth	US\$ Mn.	% Growth
2016-17	597.12	-	5256.37	-	5853.49	-
2017-18	586.81	-1.73	5437.27	3.44	6024.08	2.91
2018-19	570.80	-2.73	5568.09	2.40	6138.89	1.90
2019-20	503.02	-11.87	5397.47	-3.07	5900.49	-3.89
2020-21	373.25	-25.80	4271.19	-20.88	4645.15	-21.28
2021-22	679.56	+82.07	6094.50	+42.69	6774.06	+45.83

Source: SRTEPC

COUNTRYWISE EXPORT OF MMF TEXTILES:

The details of export of all MMF textile items to major ten Countries during last three years are as under :-

Country	USD Million			Percentage Share			Growth %
	2019-20	2020-21	2021-22	2019-20	2020-21	2021-22	
World	5900.49	4645.15	6774.06	100	100	100	-
U.S.A	592.92	665.25	979.90	10.05	14.32	14.46	47.30
Turkey	336.47	326.24	643.02	5.70	6.26	9.50	97.10
Bangladesh	418.97	272.39	447.71	7.10	5.86	6.61	64.36
UAE	482.92	290.76	385.55	8.18	7.25	6.69	32.60
Brazil	250.77	180.29	291.92	4.25	3.88	4.31	61.92
Sri Lanka	203.12	164.18	255.50	3.44	3.53	3.77	55.62
Egypt	150.80	128.33	255.19	2.55	2.76	2.68	98.85
Germany	137.88	122.89	167.74	2.33	2.64	2.47	36.41
Italy	121.07	114.12	176.19	2.05	2.45	2.60	54.39
Belgium	102.91	90.02	150.46	1.74	1.94	2.22	67.14

Source: SRTEPC

It will be observed that USA continues to be major buyer of Indian MMF textile with its share of 14.46% followed by Turkey with share of 9.50 %.

EXPORT OF READYMADE GARMENTS:

The export of Ready Made Garments (RMG) have seen a continuous downfall from 2016 - 2017. The year wise figures of RMG exports are as under:

Year	Value in US\$ Mn.	% Growth
2016-17	17382.80	..
2017-18	16718.90	-3.80
2018-19	16156.20	-3.40
2019-20	15509.40	-4.00
2020-21	12289.70	-20.80
2021-22	16021.70	+30.40

Source: AEPC

EXPORTS FROM STATE :

The then Hon'ble Minister for Textiles, Smt. Smriti Irani, informed Lok Sabha on 12th February, 2021 of the State wise exports of textile and garments up to 2019-20. The figures of export from the State are as under:

Value in US\$ Million

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Madhya Pradesh	1,068	1,101	1,175	1,234	1,112	1,199	1,905
All India	35,995	35,372	35,722	36,557	33,379	29,904	44,263
%	2.96	3.11	3.28	3.37	3.33	4.00	4.30

Source: FIEO

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
2017-18	216921.00	64875.00	62811.00	48370.00	392977.00
2018-19	201394.00	33886.00	55415.00	NA	290696.00
2019-20	NA	NA	NA	50951.00	50951.00
2020-21	202184.61	71269.21	21003.88	31170.00	325627.70
2021-22	415561.58	102742.65	27752.20	69054.00	615110.43

The above figures would have been much higher had all the Member-Mills reported the export data to the Association.

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. Import of textiles and apparel has been up by 40% in 2021-22. The Government hiked Import Duty on 328 textile items from the present 10% to 20% w.e.f. 7th August, 2018. This decision brought relief to domestic manufacturers, promote Make in India and boost job creation. However, it may be noted that Man-Made Fibre and Filament Yarn are not included in this increase.

The growth pattern of import of textile products in the Country for last seven years is as under:

Value in US\$ Million

Commodity	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	% Change
Ready Made Garments	581	596	773	1,106	1,144	881	1265	44
Cotton Textiles	1,707	2,083	2,448	2,063	1,898	798	1131	42
Man Made Textiles	2,130	1,973	2,265	2,670	2,682	2334	3433	47
Woolen Textiles	367	327	372	425	332	200	320	60
Silk Products	206	210	251	202	211	100	148	48
Handloom Products	10	5	11	15	10	6	2	(-)67
Carpets	79	71	94	101	118	72	100	39
Jute Products	248	244	181	170	242	176	248	41
Other Textiles	-	-	-	-	867	731	1018	39
Total Textiles & Apparel	5,328	5,509	6,394	6,755	7,505	5298	7665	45
Handicrafts	693	784	923	794	764	577	534	(-)7
Total T&A (including Handi Crafts)	6,021	6,293	7,318	7,549	8,269	5875	8199	40

Source: DGCI&S

Value in US\$ Million

Commodity	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	%
Fibre	1.3	1.9	2.0	1.7	2.4	1.0	1.4	17.0
Filament	0.6	0.6	0.6	0.7	0.8	0.7	1.3	15.8
Yarn	0.4	0.3	0.4	0.4	0.5	0.5	1.0	12.2
Fabric	1.9	1.7	2.3	2.5	2.3	1.7	1.4	17.0
Apparel	0.6	0.6	0.8	1.1	1.1	0.9	1.3	15.8
Home Textiles	0.3	0.3	0.3	0.3	0.3	0.2	1.0	12.2
Others.	0.6	0.6	0.6	0.7	0.8	0.8	0.8	10.0
Total T&A	5.7	5.9	7.0	7.4	8.2	5.9	8.2	100.0
Total Merchandise Imports	381.0	384.4	465.6	514.1	474.7	394.4		
Share of T&A	1.5%	1.5%	1.5%	1.4%	1.7%	1.5%		

Source: DGCI&S

EXPORTS OF TEXTILES & APPAREL:

The following information about Export and Imports during the year 2015-16 to 2021-22 could be collected from DGCI&S:

Value in US\$ Million

Commodity	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	%
Fibre	2.7	2.5	2.8	3.0	1.9	2.7	4.01	9.24
Filament	1.0	1.1	1.2	1.3	1.2	0.8	1.48	3.41
Yarn	4.4	4.1	4.3	4.8	3.5	3.4	6.47	14.69
Fabric	4.8	4.5	4.6	4.8	5.1	4.1	5.90	13.58
Apparel	17.0	17.4	16.7	16.2	15.5	12.3	16.02	36.89
Home Textiles	5.1	5.1	5.2	5.5	5.3	5.7	7.14	16.44
Others.	1.8	1.7	1.9	2.0	1.8	1.9	2.42	5.55
Total T&A	36.7	36.5	36.7	37.5	34.2	30.9	43.44	100.00
Total Merchandise Exports	262.3	275.9	303.5	330.1	313.4	291.8	421.89	
Share of T&A	14.0%	13.2%	12.1%	11.4%	10.9%	10.6%	10.3%	

EXPORTS IN 2019-20 TO 2021-22:

The item wise details of Exports made during last three years are as under:

Value in US\$ Million

Commodity	2019-20	2020-21	2021-22	% Change
Cotton Raw & Waste	1,057	1,897	2,816	48.44
Cotton Yarn	2,761	2,791	5,498	96.99
Cotton Fabrics ,Made-ups	5,968	6,024	8,200	36.12
Man-made Staple Fibre	503	373	680	82.31
Man-made Yarn, Fabrics, Made-ups	4,821	3,807	5,615	47.53
Apparel	15,488	12,272	16,016	30.52
Wool and Wool Products	181	109	166	52.29
Silk and Silk Products	93	100	145	45.00
Jute	357	397	537	35.26
Others (Carpets & Handloom etc.)	4,228	4,292	5,331	24.21
Total	35,517	32,062	45,004	40.37

Source : DGCIS/ CITI

TAXATION

CENTRAL TAXES :

The Confederation of Indian Textile Industry (CITI) submitted Pre Budget Memorandum to the Union Finance Minister; some of the important points included in the presentation are as under:

- Allocation of Rs 8,300 crore for disbursement of Subsidy for pending TUFs Claims.
- Allow two years moratorium for repayment of loans and one time Restructuring of Loans as the industry is facing financial crises post Covid-19 pandemic.
- Reduce Hank Yarn obligation for 30% to 15%.
- Allocate Rs.1,000 crore for Technology Mission on Cotton-II , so as to increase cotton production by 50% and double farmers income.
- Incentivize production of ELS Cotton.
- Government may devise a mechanism for providing direct subsidy to cotton farmers as prevalent in China, so that industry may get cotton at internationally competitive prices.
- Set up Price Stabilization Fund Scheme consisting of 5% interest subvention, reduction of Margin Money from 25% to 5% and increasing credit limit from 3 months to 9 months.
- Signing of textile industry favorable FTAs.
- Reduction in Fire Insurance Premium for Textile Mills.
- There is provision for payment of interest @ 6% on delayed release of Drawback Claims, which should be automatically allowed in delay cases.
- Debar State Governments, from levying Cross Subsidy Surcharge and Additional Surcharge on Open Access.
- Bring Diesel /HSD and Petrol / Motor Spirit used in generation of electricity within the purview of GST enabling availment of credit of tax paid, thus the cost of textiles products will get reduced.
- Abolition of Inverted Duty Structure in Textiles, GST on first stage is 18% and on yarn 12%.
- Remove Custom Duty on import of cotton.

UNION BUDGET PROPOSALS FOR 2022-23 HIGHLIGHTS:

The Hon'ble Union Minister of Finance and Corporate Affairs, Smt Nirmala Sitharaman presented the digital Union Budget for 2022-23 on 1st February, 2022.

The Finance Minister in her speech said that when the political, economic, and strategic relations in the post-COVID World are changing, it is the dawn of a new era- one, in which India is well –poised to truly be the land of promise and hope. Major highlights of the Budget are as under:

- Corporate surcharge to be reduced from 12% to 7%.
- Health and Education Cess and Surcharge shall not be allowed as business expenditure.
- Budget to focus on 4 pillars – productivity, climate action, financing investments and PM Gati Shakti Plan.
- Productivity – Linked Incentive Schemes in 14 sectors have received excellent response; received investment intentions worth Rs. 30 lakh crore.
- Emergency Credit Line Guarantee Scheme (ECLGS) extended till March, 2023.
- Guarantee cover for ECLGS will be expanded by Rs. 50, 000 crore to total of Rs. 5 lakh crore
- Special Economic Zones Act will be replaced with a new legislation for the development of enterprise and hubs. It will cover the existing industrial enclaves and enhance the competitiveness of exports.
- To achieve 280 GW of solar power by 2030, Additional allocation of Rs.19,500 crore towards Solar PLI for manufacturing of high efficiency modules.
- Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE) to be revamped with required fund infusion will facilitate additional credit of Rs. 2 lakh crore for Micro and Small Enterprises and expand job opportunities.

FOR TEXTILE SECTOR:

- Allocation for Textile Sector increased by 8.1%
- Provision of Rs.133.83 crore for Textile Cluster Development; Rs.100.00 crore for National Technical Textiles Mission; Rs. 15.00 crore each for PM Mega Integrated Textile Regional & Apparel Park Scheme and Production Linked Incentive Scheme.
- Knitting and weaving machinery to attract 7.5% Import Duty.
- Exemption from Duty for embellishment, trimmings, fasteners, button, zippers, lining material, etc.
- GST Council to take measures to remove anomaly in Inverted Tax Structure.

IMPORTANT NOTIFICATIONS, ETC. :

- The Central Board of Indirect Taxes & Customs issued Notification No. 23/2021 – Customs (ADD) dated 20th April, 2021 imposing anti-dumping duty on imports of Nylon Filament Yarn originated in or exported from Vietnam and European Union, to exclude goods of certain Specification from the scope of the anti- dumping duty.
- Department of Revenue issued an Office Memorandum stating that Central Government has decided not to impose the anti-dumping duty on viscose spun yarn (VSY) from China PR, Indonesia and Vietnam.
- On 30th July, 2021, the Central Board of Indirect Taxes & Customs notified the provision for self- certification instead of audit from 1st August, 2021. The Board has made the Reconciliation Statement part of Annual Goods & Service Tax Return .

Every registered person having aggregated turnover under Rs.5 crore will have to furnish such a certificate The Government reduced compliance burden for GST payers.

- Now a tax payer with Aggregate Annual Turnover above Rs. 5 crore can self-certify the Reconciliation Statement in Form GSTR- 9C for financial year 2020-21 onwards, instead of getting it certified by a Chartered/Cost Accountant. The last date for filing Forms GSTR-9 and GSTR-9C for financial year 2020-21 was extended to 28th February, by Notification dated 29th December, 2021.
- As per new Section 16 (2) (aa) inserted with effect from 1st January, 2022, a recipient cannot avail Input Tax Credit (ITC) for the Invoice issued by the supplier, if the supplier has not filed that invoices in his GSTR-1 Return, i.e. Input Tax Credit (GST paid to vendors) in respect of Invoices and Debit Notes shall be available only to the extent these are furnished in GSTR-1 by the vendor and appearing in GSTR-2A/2B of the recipient.
- E- invoice under GST has been made mandatory with effect from 1st April, 2022 for registered persons, whose aggregate turnover is above Rs. 20 crore in any of the previous five years.
- As per the Finance Act, 2022, Input Tax Credit (ITC) shall not be eligible unless the outward supply details are auto-generated in GSTR-2B. Statutory time limit for availing ITC has been extended to 30th November from the present 30th September following the end of the financial year. Self-assessed ITC availed in Return to be reversed alongwith interest, where tax is not paid by supplier, reavailment permissible in cases where supplier is paying tax.
- On 13th April, 2022 the Government has exempted all Custom Duty on import of cotton to lower the price of cotton in the public interest. The Central Board of Indirect Taxes and Customs (CBIC) notified the exemption from Customs Duty and Agriculture Infrastructure Development Cess for import of cotton, which comes into effect from 14th April, 2022 and will remain in force up to and inclusive of the 30th September, 2022, now extended till 31st October, 2022.
- The Gujarat Bench of Authority of Advance Ruling under CGST Act in the matter of Tata Motors has held that no GST will be levied on nominal amount recovered from employees for canteen facilities, which is passed on by the Company to the third party caterer. To cater the needs of employees, corporate entities typically arrange for canteen services, where the meals are served by a third party caterer. A part of the amount (albeit, a very nominal sum) is recovered from the employees and the issues relating to levy of GST often arise.

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

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

GOODS & SERVICE 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 trade this tax is levied as IGST. The present rates of GST applicable to Textile Sector are as under:

Product	Rate (%)
Cotton	5
Cotton Cone Yarn	5
Cotton Hank Yarn	5
Cotton Waste	5
Cotton Fabric	5 (No refund of ITC accumulated)
Cotton Garment/Made-Ups Without brand name having retail sale price below Rs.1000 (per piece)	5
Cotton Garment/Made-Ups with brand name having retail sale price of Rs.1000 and above (per piece)	12
Polyester Garment/Made-Ups Without brand name having retail sale price below Rs.1000 (per piece).	5
Polyester Garment/Made-Ups With brand name having retail sale price of Rs.1000 (per piece) and above.	12
Polyester Fibre & Waste	18
Polyester Yarn	12
Polyester Fabric	5 (No refund of ITC accumulated)
Blended Textile Products (Yarn/Garment Made-ups)	Cotton Predominant –5 Polyester Predominant –12
Textile Machinery	18
Handloom Machinery	0
Scrip under Foreign Trade Policy	0
Job Work of all Textile Products (Cotton & Synthetic)	5
GTA Services including Transport of Cotton	5
Commission Agent Transaction	18
Testing Service	18
Security Service	18
Hank Yarn Obligation	18
Polypropylene/polypropylene woven and non-Woven bags and sacks whether laminated or not used for packing of goods.	12/18* Effective from 01.01.2020

STATE TAXES:

Raw Cotton attracts Mandi Tax @ 1.5% of value with effect from 8th January, 2019.

MANPOWER

INITIATIVES BY UNION MINISTRY OF LABOUR:

Ministry of Labour & Employment has taken an initiative for consolidating various labour laws by notifying following Labour Codes:

1. The Code on Wages, 2019.
2. The Occupational Safety, Health and Working Conditions Code, 2020.
3. The Code on Social Security, 2020.
4. The Industrial Relations Code, 2020

On 21st March, 2022, Lok Sabha was informed that 27, 23, 21 and 18 States/Union Territories have pre-published Draft Rules under the Code on Wages 2019; the Industrial Relations Code, 2022; the Code on Social Security, 2022 and the Occupational Safety, Health and Working Conditions Code, 2020 respectively.

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

The Union Minister of State for Textiles informed Lok Sabha on 23rd March,, 2022 about the steps taken to support employment generation and provide livelihood in the Textile Sector. Textile Sector in India provides largest source of employment in the Country with over 4.5 million people employed directly including large number of women and rural population through various schemes and public programmes such as:

- Capacity Building in Textile Sector (SAMARTH) - To address the skilled manpower requirement across textile sector. The Scheme is approved for implementation till March, 2024.
- Amended Technology Up-gradation Fund Scheme (ATUFS): In order to promote ease of Doing Business in the Country to achieve the vision of generating employment and promoting exports through "Make in India" with "Zero effect and Zero defect" in manufacturing. This Scheme is effective up to March, 2022.
- National Technical Textile Mission: Creation of National Technical Textiles Mission for a period of 4 years (2020-21 to 2023-24) approved with an outlay of Rs.1,480 crore for developing usage of technical textiles in various flagship Missions.
- Production Linked Incentive (PLI) Scheme for Textiles to Promote production of MMF apparel, MMF Fabrics and Products of Technical Textiles in the Country to create 60-70 global players, attract fresh investment of Rs. 19,000 crore approximately and generate almost 7.5 lakh new employment.
- PM-MITRA: To attract investment for 'Make In India' initiative and to boost employment generation through setting up of Seven PM Mega Integrated Textile Region and Apparel (PM MITRA) Greenfield/Brownfield sites with World class infrastructure including plug and play facility outlay of Rs.4445 crore for a period of seven years up to 2027-28.
- Scheme for Integrated Textile Parks (SITP): The Scheme provides support for creation of world-class infrastructure facilities for setting up of textile units.
- Various sectoral schemes to support traditional textile sectors such as handlooms, handicraft, silk and jute.

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 of State was notified in 2007. Some of the highlights of the Policy are:

- 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 industry which can employ maximum workers and help development of ancillary 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:

The rate of employees' contribution to Labour Welfare Fund continues to be Rs.10 per employee and the employers' contribution Rs. 30 per employee payable for every six months with effect from 2nd February, 2013. The minimum employers' contribution is Rs. 1500 for each of the half year. The employees drawing up to Rs. 10,000 p.m. have been included.

PAYMENT OF WAGES ACT, 1936:

The Central Government has specified Rs. 24,000 p.m. as the wages under section 1(6) of the Act, effective from 28th August, 2017. The State Government has specified that employer 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.

CONSUMER PRICE INDEX:

The Consumer Price Index Numbers for Industrial Workers (Base 2016 =100 from September, 2020) of All India and various Centers in Madhya Pradesh during the year 2021 - 2022 have been as under:

	All India	Indore	Bhopal	Chhindwara	Jabalpur
Linking factor to 1982 series	4.63	4.73	4.83	4.03	4.53
Linking factor to 2016 series	2.80	2.70	3.11	2.94	3.00
April, 2021	120.1	116.9	117.6	118.8	129.5
May	120.6	117.0	117.3	120.7	123.8
June	121.7	115.9	120.4	120.8	125.4
July	122.8	116.7	121.1	122.2	125.1
August	123.0	118.2	120.6	121.1	125.8
September	123.3	117.8	121.1	120.8	127.6
October	124.9	120.3	122.5	123.7	128.2
November	125.7	119.8	121.8	123.8	128.3
December	125.4	115.9	120.8	123.5	126.6
January, 2022	125.1	116.5	121.1	123.6	126.9
February	125.0	117.4	122.8	124.1	127.3
March	126.0	121.4	123.1	125.5	128.7

THE MINIMUM WAGES IN THE STATE:

The State Government revised minimum wages with effect from 1st October, 2014. Rise above 241 points of All India Consumer Price Index is compensated half yearly based on average rise in July-December and January-June Index @ of Rs.25 per point. The minimum wages payable to unskilled workers were revised from Rs.240 per day to Rs.250 per day with effect from 1st June, 2015. The minimum wages payable to various categories of workmen w.e.f. 1st October, 2014 onwards with half yearly increase in Dearness Allowance are as under:

Amount in Rupees

With effect from	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	9735	374	8435	324	7057	271	5939	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	807	00	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
1 st October, 2018	10910	420	9610	370	8232	317	7375	284
1 st April, 2019	11235	432	9935	382	8557	329	7700	296
1 st October, 2019	11485	442	10185	392	8807	339	7950	306
1 st April, 2020	11810	454	10510	404	9132	351	8275	318
1 st October, 2020	11935	459	10635	409	9257	356	8400	323
1 st April, 2021	12235	471	10935	421	9557	368	8700	335
1 st October, 2021	12335	474	11035	424	9657	371	8800	338
1 st April, 2022	12660	487	11360	437	9982	384	9125	351
1 st October, 2022	12860	495	11560	445	10182	392	9325	359

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 2021-22:

Quarter	For Indore, Ujjain, Nagda, Ratlam, Dewas, Sanawad, Khandwa and Burhanpur Centers	For Bhopal Centre
April-June 2021	Rs. (-) 17.62	Rs. (+) 13.67
July-September 2021	(+) 135.71	(+) 279.70
October-December 2021	(+) 69.06	(+) 260.34
January-March, 2022	(+) 78.59	(+) 74.81

PAYMENT OF BONUS ACT, 1965 :

The Payment of Bonus Act, 1965 was last amended on 1st January, 2016 and 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.

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

- From 1st April, 2017, the rates of Provident Fund Administrative Charges were 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 Rs.75/- p.m. and for the operational establishments/factories, 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 operation establishments/factories are Rs.200/- p.m.
- The Central Government announced Atmanirbhar Bharat Rogjar 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 the Yojna are as under:
 - a. Newly added employees from October, 2020 to June, 2021 for the first time on monthly wage of less than Rs.15,000 with the establishment registered with EPFO to get the benefit.
 - b. Employees' contribution and Employers' contribution totaling 24% will be provided for two years for establishments with up to 1000 employees.
 - c. All establishments with maximum of 1000 workers will be covered, reference base of employees to be as in September, 2020.
 - d. EPF members, who made an exist from employment during Covid-19 from March, 2020 and employed on or after 1st October, 2020 will be covered.
 - e. An establishment with up to 50 employees will have to add minimum two employees and those with more than 50 employees will have to give jobs to minimum five employees.
 - f. Establishments with more than 1000 employees will be entitled for subsidy towards employee's share (12%) only.
- On 28th April, 2021 a Notification issued by the Ministry of Labour Employment has made following amendments to Deposit Linked Insurance Rules:
 - a. Amount of maximum benefit has been increased from Rs.6.00 lakhs to Rs. 7.00 lakhs to the family members of deceased employee.
 - b. Minimum assurance benefit of Rs. 2.50 lakh to eligible family members of deceased employee, who was a member for a continuous period of 12 months in one or more establishments preceding his death in place of existings provision of continuous employment in the same establishment for 11 months. It will benefit contractual/causal workers, who were losing out on benefits due to condition of continuous one year in one establishment.
- Restoration of provision of minimum Rs.2.50 lakh Compensation retrospective i.e. from 15th February, 2020.
- The Finance Ministry notified Rules for calculation of taxable interest on employee and employer contributions to provident fund of over Rs.2.50 lakh per annum, in an attempt to dissuade high earners from parking their surplus in PF accounts. For the sake of calculation, separate accounts within Provident Fund accounts shall be maintained from 2021-22 for taxable contribution made by the person.
- The Employees Provident Fund Organization (EPFO) vide its Circular dated 30th October, 2021 conveyed the approval of Central Government to credit interest @ 8.50% for the financial year 2020-21 to the account of each member of EPF Scheme as per the provisions of para 60 of the Scheme.
- EPFO added new validation point in Form No.11 at Serial No.1 asking an employee to confirm whether he/she was EPF member on or before September, 2014 if he/she has withdrawn this amount or not.

- EPFO vide circular dated 3rd June, 2022 declared interest for the financial year 2021-22 @ 8.1% to be credited to account of each member.

EMPLOYEES' PENSION SCHEME, 1995 :

- Minimum Pension of Rs.1,000/- p.m. is payable in respect of a member 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) allowed two years bonus with effect from the date of start of pension to them as per Circular dated 8th May, 2017 .
- As per Gazette Notification dated 25th April, 2016, individuals, who 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 up to 60 years (i.e., 4% in case of one completed year and 8.16% in case of two completed years). The employees can also contribute to Pension Fund up to the age of 60 years.
- The Ministry of Labour & Employment vide Notification dated 20th February, 2020, restored normal pension in respect of those, who availed the benefit of commutation under erstwhile Para 12A of the Employees' Pension Scheme, 1995 on or before 25th September, 2008, on completion of 15 years from the date of commutation.

EMPLOYEES' STATE INSURANCE ACT, 1948 :

- With effect from 1st October, 2016, ESI Scheme introduced in all the Districts of Madhya Pradesh.
- The Ministry of Labour & Employment issued two Notifications on 27th October, 2020, making amendments to Employees' State Insurance (Central) Rules, 1950. These are:
 - a. The maternity benefit payable under Rule 56(A) increased to Rs.7,500. This benefit will be payable only for confinements and where medical facilities under ESI are not available.
 - b. Insured Person (IP) to seek medical services from nearby empanelled hospital directly without referral, in case of non-availability of ESI Healthcare System within a radius of 10 Kms. of his/her residence.
- The Employees' State Insurance Corporation, New Delhi, clarified on 11th March, 2021 that due to lockdown in March, 2020, a number of ESI covered units were shut down resulting non-payment of contribution towards ESI. Considering potential hardships to beneficiaries of such units, one time relaxation in entitlement criteria for ESI Contribution for the period with effect from 1st April, 2020 to 30th September, 2020, it will be assumed that contribution has been received and there is no break for processing entitlement of medical benefits.
- The Employee State Insurance Corporation (ESIC) issued a Circular on 20th May, 2021 regarding implementation of Section 142 of the Code on Social Security with effect from 3rd May, 2021.
- On 3rd June, 2021 ESI Corporation notified ESIC- Covid -19 Relief Scheme, which provides for pension to the spouse/children of the insured person, who died due to Covid-19. The Scheme will be valid for two years from 24th March, 2020.
- The Employees State Insurance Corporation (ESIC) circulated on 8th November, 2021, a copy of the judgment of the Hon'ble Supreme Court in the matter of ESIC v/s Texmo Industries, wherein the Hon'ble Court has held that the payment of Conveyance Allowance does not fall under the definition of the term "wages" as defined under Section 2(22) of the ESI Act.
- By another Circular dated 16th November, 2021, the ESI Corporation keeping in view the problems faced by stakeholders regarding performing on the tasks through various Panchdeep Modules due to system breakdown in IT system, relaxed payment of Contribution for the month of October, 2021 upto 30th November, 2021 and filing of Return of Contribution for April-September, 2021 till 15th December, 2021.
- The Employees State Insurance Corporation opened its Branch Office, Khargone on 1st November, 2021 for the benefit of workers of the area.
- The Ministry of Labour & Employment issued a Gazette Notification on 7th March, 2022 amending Rule 55(1) of Employees State Insurance (Central) Rule, 1950 by inserting a new proviso, according to which an insured woman, who is in receipt of maternity benefit and due to reason of which a shorter contribution period is available to her in the contribution period in which the maternity benefit falls, she will be qualified to claim sickness benefit in the corresponding benefit period, if the contribution in respect of her was payable for not less than half the

number of days available for working in such contribution period. The amendment is applicable from 20th January, 2022.

- The Employees State Insurance (ESI) Corporation notified on 22nd March, 2022 relaxation in eligibility condition of ESIC Covid- 19 Relief Scheme with effect from 24th March, 2020. The deceased insured person should have been in employment on date of diagnosis of Covid-19 and contribution for 35 days should have been paid or payable in respect of him/her during the period of maximum one year immediately preceding the diagnosis of Covid-19 resulting in death.
- The ESI Corporation on 13th April, 2022 allowed payment of Contributions for the month of March, 2022 up to 30th April, 2022 instead of 15th April, 2022 and also filing of Return of Contribution for October, 2021-March, 2022 up to 26th May, 2022 instead of 11th May, 2022.

ATAL BEEMIT VYAKTI KALYAN YOJNA :

Atal Beemit Vyakti Kalyan Yojana (ABVKY) is a welfare measure for the employees covered under the Employees' State Insurance (ESI) Act, 1948 in the form of cash compensation up to 90 days once in lifetime of the worker in the contingency of Insured Persons' (IPs') unemployment.

The Scheme came into force on 1st July, 2018 and extended twice from 1st July, 2020 to 30th June, 2021 and from 1st July, 2021 to 30th June, 2022 in order to provide relief to those IPs, who became unemployed during the Covid-19 pandemic. The eligibility and other conditions of the Scheme were relaxed w.e.f. 24th March, 2020 as under:-

- The rate of relief under the Scheme was enhanced from 25% of the average daily earnings to 50% of average daily earnings of the claimant.
- The IP should have been in insurable employment for a minimum 2 years and should have contributed for not less than 78 days in the contribution period immediately preceding the unemployment and minimum 78 days in one of the remaining three contribution periods in two years prior to unemployment. Earlier, minimum contribution of 78 days in each of four contribution periods was required.
 - a. The waiting period to file the claim was reduced from 90 days to 30 days.
 - b. Mandatory filing through employer and submission of affidavit by the claimant was dispensed with.
 - c. All the Insured Persons covered under ESI Act are entitled under the scheme and no separate registration is required.

MADHYA PRADESH SHRAM KALYAN NIDHI (SANSKODHAN) VINIYAM, 2021:

State Government has notified on 7th January, 2022 Madhya Pradesh Shram Kalyan Nidhi (Sanskodhan) Viniyam, 2021. Accordingly, the employers have to file details of welfare activities undertaken in previous financial year to the Welfare Commissioner of the State.

INDUSTRIAL DISPUTES ACT, 1947:

The Madhya Pradesh Labour Laws (Amendment) and Miscellaneous Provisions Act, 2015 issued on 27th November, 2015 provides for:

- For retrenchment, three months' notice to a workman to be retrenched is required as against one month's notices earlier (Section 25F).
- At the time of retrenchment a worker has to be paid 15 day average pay for every completed year of continuous service or any part in excess of six month or an amount equivalent to three months average pay, whichever is more (Section 25F).

- 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 establishment employing not less than 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, paid holiday are nine.
- The retirement age of workmen has been raised to 60 years w.e.f. 25th October, 2014.
- However, this Act and the Rules do not apply to Micro Industries and applies to Establishments employing more than 50 workmen. The limit of 50 workers under Section 2(1) (A) has been raised to 100 workers with effect from 6th May, 2020.
- The Ministry of Labour & Employment issued a Notification on 16th March, 2018 notifying amendments to Industrial Employment (Standing Orders) Central Rules, 1946 introducing 'fixed term employment' category of workmen, who are employed on a contract basis for fixed period.

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 24th June, 2016 conditions for ensuring Safety of Workers required to work between 8.00 PM to 6.00 AM.
- By Notification dated 5th May, 2020, State Government recognized Third Party Certificate of non-hazardous category factories (employing up to 50 workers) regarding compliance of Factories Act, 1948 to be submitted before 31st January each year. Inspection of such factories by Labour Commissioner's Office will only be carried out in case of Serious/Fatal Accident or complaint information received thereto.
- Rule 18-B of M. P. Factories Rule, 1962 amended so as to any person or agency so authorized by the Labour Commissioner shall be authorized to conduct inspection subject to such restriction as may be specified.
- The working hours under the Factories Act have been extended from 8 hours to 12 hours with payment for additional 4 hours at double rate. Total overtime hours in a week will be up to 72 hours.
- The Labour Department of the State inserted a new Rule 123-A in Madhya Pradesh Factories Rules, 1962 regarding third party certification on 19th November, 2020.
- The Labour Department of the State issued amendments to M. P. Factories Rules, 1962, detailed as under:
 - a. On 5th February 2021, amendment to Rule 123 allowing third party inspection of hazardous equipment, hoists lifts, lifting machines, pressure vessels etc.

- b. On 8th February, 2021, amendment to Rule 6 allowing online filing of application to register the factory and grant a license.
- c. On 16th March, 2021 State Government amended Factory Rule 6(2) to clarify that the Factory License can be issued for up to ten years or more.
- As per Notification dated 5th May, 2020, new industries being set up in the State after issue of this notification are exempted from provisions of Factories Act except Chapter V-A and Sections 25-N, 25-O, 25-P, 25-Q and 25-R of Chapter V-B for next 1000 days subject to the condition that adequate provisions are made by them for investigation and settlement of industrial disputes of workmen employed by them.

BUILDING & OTHER CONSTRUCTION WORKERS WELFARE CESS ACT, 1996:

The State Government notified on 27th November, 2015, The Madhya Pradesh Labour Laws (Amendment) and Miscellaneous Provisions Act, 2015, where by:

- 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)).
- As per the judgment passed by the Supreme Court in the matter of UPPTCL v/s CG Power and Industrial Solutions regarding the levy of Cess amount under BOCW Act, BOCW Cess is not leviable on the supply of equipment. While discussing some landmark Supreme Court decisions, it was observed that the object of the Act was the welfare of workers engaged in building and construction work, and the clear statutory scheme of the Act excludes a supply contract from within its ambit. The charging section provides for the levy and collection of Cess at such rate not exceeding 2% of the cost of construction incurred by the employer. The condition precedent for the levying BOCW Cess under the Act was construction, repair, demolition or maintenance. Mere installation or erection, which did not involve construction work, was not amenable to BOCW Cess.

MADHYA PRADESH INDUSTRIAL RELATIONS ACT, 1960:

The State Government vide Notification dated 5th May, 2020, again removed eleven categories of industries (including textile industry) from the purview of Madhya Pradesh Industrial Relations Act, 1960. Thus provisions of MP Industrial Relations Act, 1960 shall not apply to 11 categories of industries including textile industry (including cotton, silk, artificial silk, staple fibre etc.)

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

INTER-STATE MIGRANT WORKMEN ACT, 1979:

The factories may have to recruit workmen brought only licensed or registered human resources agents and may have to maintain a register of every Inter State Migrant Workmen they employ.

CONTRACT LABOUR (REGULATION & ABOLITION) ACT, 1970:

As per State Government amendment dated 5th May, 2020, the license granted under Rule 25 or renewed under Rule 29 shall be valid for the period of the contract for which it is made, under Contract Labour (Regulation & Abolition) Madhya Pradesh Rules, 1973.

M.P. LOK SEVAON KE PRADAN KI GUARANTEE ADHINIYAM, 2010:

- As per Notification dated 4th May, 2020, various services of the Labour Department as outlined in the notification will be provided in one day. The services include issue of licenses under Contract Labour (Regulation & Abolition) Act and renewal of licenses and approval of site plan under Factories Act.
- As per Notification dated 10th March, 2022 whereby the time limits for issuing various certificates under Factories Act, Contract Labour (Regulation & Abolition) Act, etc. have been prescribed to be 30 days.

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 Act provides protection against sexual harassment of women employees at work place and 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:

The Central Ministry of Skill Development & Entrepreneurship have amended Apprenticeship Rules, 1992, which came into force with effect from 25th September, 2019. The major amendments include:

- Apprenticeship Training shall be from 6 months to 3 years.
- Apprentice undergoing training shall be a trainee and not a worker and labour laws will not apply to him.
- Employers with four or more workers are eligible to engage apprentices and for establishments having more than 30 workers, it shall be obligatory.
- In no month number of apprentices should be less than 2% and more than 18% of total strength.
- Minimum rate of stipend shall vary from Rs.5000 to Rs.9000 p.m. based on the qualification of the apprentice.
- In the 2nd year, the stipend payable shall be increased by 10% and in the 3rd year by further 15%.
- Apprentices during basic training for a period upto 3 months shall be paid 50% of stipend.

IMPORTANT DECISIONS OF COURTS:

The Association has been circulating quarterly 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 Newsletters.

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.
- Develop Standard Work Methods for various jobs.
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- Train existing workers.

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 law relating to Electricity 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 2021-22 AND 2022-23:

The Madhya Pradesh Electricity Regulatory Commission (MPERC) notified Tariff for 2021-22 on 30th June, 2021, which was made applicable from 8th July, 2021. However, the rates of 2020-21 were maintained, without any change till 7th July, 2021. The tariff rates 2021-22 have been continued till new rates for 2022-23 were made applicable w.e.f. 8th April, 2022 vide order dated 31st March, 2022.

A comparative statement of Tariff (HV-3.1: Industrial) applicable to Textile Industry for the year 2021-22 and those for 2022-23 are as under:

Sr. No.	HV-3.1 Industrial	2021-22 From 8 th July, 2021		2022-23 From 8 th April, 2022	
1	Fixed Charges (Rs./KVA of Billing Demand) 11 KV Supply 33 KV Supply 132 KV Supply 220 KV / 400 KV Supply	Rs. 347.00 570.00 660.00 660.00		Rs. 372.00 597.00 682.00 682.00	
2	Energy Charges (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. 7.10 7.05 6.62 6.20	Rs. 6.10 6.00 5.65 5.20	Rs. 7.20 7.16 6.25 6.30	Rd. 6.20 6.11 5.76 5.30
3	Power Factor Incentive on EC Above Upto 95% 96% 96% 97% 97% 98% 98% 99% 99% -	1% on E C 2% on E C 3% on E C 5% on E C 7% on E C		1% on E C 2% on E C 3% on E C 5% on E C 7% on E C	
4	Power Factor Penalty For each 1% decrease in average monthly 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	
5	Billing Demand	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 the Day:</u> 6 AM to 10 PM Full year 10 PM to 6 AM Rebate (Apr - Oct) 10 PM to 6 AM Rebate (Nov - Mar)	Normal Rate of E.C. 10% of Normal E.C. 20% of Normal E.C.	Normal Rate of E.C. 10% of Normal E.C. 20% of Normal E.C.
8	<u>For excess demand :</u> a) Energy Charges b) Fixed Charges	No Extra Charge (i) Up to 120% Normal Charge (ii) @ 1.30 times the charges for demand over 120% of CD when MD is up to 130% (iii) @ 2.00 times the charges (when MD exceeds 130%) for demand recorded over & above 130% of CD in addition to (i) above	No Extra Charge (i) Up to 120% Normal Charge (ii) @ 1.30 times the charges for demand over 120% of CD when MD is up to 130%. (iii) @ 2.00 times the charges (when MD exceeds 130%) for demand recorded over & above 30% of CD in addition to (i) above.

Notes for 2022-23:

1. Rebate of Rs. 1.00 per unit in Energy Charges is applicable for incremental monthly consumption w.r.t. consumption of 2015-16 same month.
2. Rebate of Rs. 1.00 per or 20%, whichever is lower to new consumer.
3. Rebate of Rs. 2.00 per unit Captive Consumers, who have reduced their Captive Consumption and taken power from DISCOM, Base year shall be financial year preceding the year of request for switchover.
4. Rebate of Rs. 1.00 per unit for those Open Access Consumers, who have reduced their Open Access consumption, which have been availing Open Access during 2021-22 and recorded incremental consumption in any month of the current year as compared to same month of last year.

METERING CHARGES :

Metering Charges from the consumers' have been abolished w.e.f. 26th December, 2020.

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. The rates of FCA Charges have been as under :

Billing Quarter	Rate/ Unit
1 st Quarter 2021-22	01 Paise
2 nd Quarter 2021-22	(-) 20 Paise
3 rd Quarter 2021-22	(-) 07 Paise
4 th Quarter 2021-22	07 Paise
1 st Quarter 2022-23	06 Paise
2 nd Quarter 2022-23	10 Paise
3 rd Quarter 2022-23	20 Paise

POWER TARIFF 2021-22 AND 2022-23 FOR SEZ PITHAMPUR :

On 3rd September, 2021 MPERC has issued a public notice prescribing rates for the financial year 2021-22. Rates for the year 2022-23 were notified on 2nd May, 2022 and are applicable from 9th May, 2022 :

Category	2021-22		2022-23	
	Fixed Charges	Energy Charges	Fixed Charges	Energy Charges
	per KVA	per KVA	per KVA	per KVA
11 KV Supply	Rs. 193.00	Rs. 3.82	Rs. 193.00	Rs. 3.65
33 KV Supply	Rs. 228.00	Rs. 3.79	Rs. 228.00	Rs. 3.62

ELECTRICAL INSPECTION FEES :

Electrical Inspection fees have been provided in Notification dated 29th November, 2011 for various classes of installations. Inspection and testing of electrical installations only above 33 Kilo Volt will be carried out as stated in Notification dated 14th August, 2015.

The Levy of Fees for Inspection and Approval of Electrical Installation (Madhya Pradesh) Rules, 2017 continue to prevail.

ELECTRICITY SUPPLY CODE-2021 :

The MP Electricity Supply Code, 2021 came into force w.e.f. 12th August, 2021 to align with the Electricity Rules, 2020 notified on 31st. December, 2020 by Union Ministry of Power.

STATE ADVISORY COMMITTEE OF MPERC:

State Advisory Committee of MPERC has been reconstituted on 5th January, 2022 and will be in operation for three years. Our Industry is represented by Shri Mahendra P. Khante, Vice President, Vardman Fabrics.

ELECTRICITY DUTY :

Electricity Duty @ 9% is payable by the Textile Industry on purchase of power 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.

As per Notification dated 14th February, 2013, Captive Power Plants of industrial projects investing certain specified amount in such plants have been exempted from payment of Electricity Duty for a period ranging from five years to fourteen years.

Vide 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, no further extension of above Notifications have been made.

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 not payable on self-consumption as per Notification dated 11th January, 2013. The 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.

MPERC (RECOVERY OF EXPENSES & OTHER CHARGES FOR PROVIDING ELECTRIC LINE OR PLANT USED FOR PURPOSE OF GIVING SUPPLY) REGULATIONS, 2022:

The MPERC has notified revised Rules on 31st May, 2022, whereby almost all the charges have been revised upwards.

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.

MADHYA PRADESH RENEWABLE ENERGY POLICY – 2022:

The State Government has notified this Policy on 18th August, 2022, which will remain in operation for a period of five years. This Policy repeals earlier Wind Power Policy – 2012; Policy for Implementation of Solar Power Projects – 2012; Small Hydro Policy – 2011 and Bio- mass Policy- 2011.

RENEWABLE ENERGY PURCHASE OBLIGATION:

MPERC vide its Orders dated 31st August, 2017 and 2nd November ,2021 amended Renewable Energy Purchase Obligation (REPO) on captive consumers and open access consumers w.e.f. financial year 2010-11. Energy prescribed for purchase from Solar and Non – Solar sources from 2015-16 to 2026-27 is as under:

Financial Year	Quantum - %		
	Solar	Non-Solar	Total
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
2022-23	9.00	9.50	18.50
2023-24	10.00	10.00	20.00
2024-25	11.00	10.50	21.50
2025-26	12.00	11.00	23.00
2026-27	13.00	11.50	24.50

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.

SUBMISSION OF REPORT ON STATUS OF ENERGY CONSUMPTION:

The Bureau of Energy Efficiency vide its Notice published in various New Papers asked Textile Mills having threshold energy consumption in 3,000 metric tons of oil equivalent per year to file applicable Performa in Form –I for the financial years 2020-21 and 2021-22 by 30th June, 2022.

ANNEXURE - I

INSTALLED CAPACITY AS ON 31ST MARCH, 2022.

Sr. No.	Name of Unit	Spindles	Rotors	Auto Looms	Knitting Machines	Stenter Machines	Others
1	Anant Spinning Mills	1,29,024					
2	Bhaskar Industries Pvt.Ltd.	14,688	3,104	304		2	
3	Bio Spun Pvt. Ltd.	50,400					
4	Candor Textiles _Pvt.Ltd					2	
5	Deepa Texiles Pvt. Ltd.			36			
6	Deepak Spinners Limited	38,736					
7	Grasim Industries Limited. (Staple Fibre Division)						1,62,425 Tons VSF
8	Jaideep India Pvt. Ltd.	25,200					
9	Kamal Cotspin Pvt. Ltd.	47,520					
10	Kohinoor Elastics Pvt.Ltd			100			
11	Madhumilan Industries Ltd.	23,264					
12	Mahima Fibres Pvt. Ltd.	50,400					
13	Maral Overseas Limited	80,256			72	3	
14	Mohini Health & Hygiene Pvt.Ltd	-	-	-	-	-	Tech.Textiles
15	Nahar Spinning Mills Limited	1,63,344					
16	PBM Polytex Limited	22,944					
17	Pratibha Syntex Limited	62,873	720	-	71	3	
18	Prem Textiles (Intl.) Pvt.Ltd.	12,384	576	40			
19	Ramesh Textiles India Pvt.Ltd.	-	-	24			
20	Raymond Limited	36,396		113		7	
21	Ritspin Synthetics Limited	25,752	2,400				
22	Sagar Manufacturers Pvt.Ltd	1,90,944			30		
23	Satyam Spinners Pvt.Ltd	15,336					
24	SEL Manufacturing Co.Ltd.	2,20,800	3,480		250		
25	Shree Geeta Textile Pvt .Ltd.	15,840					
26	S. Kumars Limited	5,760	336	60		3	
27	SRF Limited	5,652	-	16			Tech. Textiles
28	Swastik Spintex Ltd	5,760	600				
29	TDB Spinning Pvt. Ltd		1,590				
30	Vardhman Fabrics	1,43,136	5,640	814		8	
31	Vardhman Yarns	3,96,838					
32	Vikram Woolens	9,984					
33	Vippy Spinpro Ltd.		3,168				
34	Wearit Global Ltd.	24,864					

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

