



The Madhya Pradesh Textile Mills Association

75
Azaadi Ka
Amrit Mahotsav

ANNUAL REPORT 2022 - 23



The Madhya Pradesh Textile Mills Association

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

IN THE SERVICE OF TEXTILE INDUSTRY SINCE 1932



Annual Report : 2022-23

OFFICE BEARERS:

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

Registered Office

Jall Sabhagraha, 56/1, South Tukoganj, Indore-452001
Telephone : 0731-2518148,4108138
Email : mptma1932@gmail.com
Website : www.mptma.in

INDEX

Subject	Page Nos.
Origin	4
Objects	5
Member Mills	6
The Year Under Report	7
Raw Material	18
Production Overview	30
Exports & Imports	37
Taxation	46
Man- Power	50
Power	59
Capacity of Member Mills.	64

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 Hukam Chand. 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 Corporation Act, 1962 on 1st June, 1966 after being renamed as The Madhya Pradesh Textile Mills Association.

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

The Madhya Pradesh Textile Mills Association

Committed to growth of Textile Industry in the State

Objects

- To protect and promote 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 feeling 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.
- 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 Private Limited., Mandideep - 462 046
- » Bio-Spun Private Limited, Pithampur- 454773
- » Candor Textiles Private Limited, Indore - 452020
- » Deepa Textiles Private Limited, Khanpura, Goharganj-464993
- » Deepak Spinners Limited, Pagara - 473 001
- » Grasim Industries Limited :
 - » Staple Fibre Division, Birlagram, Nagda - 456 331
 - » Vikram Woollens, Malanpur - 477 117
- » Industrial Filters & Fabrics Private Limited, Manglia-453771
- » Jaideep India Private Limited, Pithampur - 454 774
- » Kamal Cotspin Private Limited, Burhanpur - 450 331
- » Kohinoor Elastics Private Limited, Indore - 452015.
- » Madhumilan Industries Limited (Spinning Division), Talawada - 46674
- » Mahima Fibres Private Limited, Bhilgaon, Kasravad - 451228
- » Maral Overseas Limited, Maral Sarovar - 451 660
- » Mohini Health & Hygiene Private Limited, Pithampur - 454 774.
- » Nahar Spinning Mills Limited, Mandideep - 464 993
- » PBM Polytex Limited, Boregaon - 480 106
- » Pratibha Syntex Limited, Pithampur - 454 774
- » Prem Textiles (International) Private Limited, Indore - 452 015
- » Ramesh Textiles India Private Limited, Indore - 452 015
- » Raymond Limited, Saunsar - 480 106
- » Ritspin Synthetics Limited, Pithampur - 454 774
- » Sagar Manufacturers Private Limited, Tamot - 464 993.
- » Satyam Spinners Private Limited, Sendhwa - 451 666
- » SEL Manufacturing Company Limited, Mehatwara - 466 118
- » Shree Geeta Textile Mills Private Limited, Burhanpur - 450331.
- » S R F Limited, Malanpur - 477 116
- » Swaraj Suiting Private Limited, Jhajharwada, Neemuch - 458441
- » Swastik Spintex Limited, Rajoda - 453 562
- » TDB Spinners Private Limited, Indore - 452001.
- » Threads of Harman, Satrati - 451660
- » Vardhman Fabrics, Pilikarar, Talpura, Budhni - 466 441
- » Vardhman Yarns, Satlapur, Mandideep - 462 046
- » Vippy Spinpro Limited, Dewas - 455 001

THE YEAR UNDER REPORT

MEMBERSHIP

The Association has thirty five 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, National Textile Corporation, S.Kumars Limited and Wearit Global Limited 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 2021-22 was held on 31st December, 2022 and the following Office Bearers were elected for the term 2022-23:

- | | | |
|---|--|------------------------|
| » | 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 31st December, 2022. 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 the Member Mill	Principal Representative	Alternate Representative
Anant Spinning Mills	Shri S.Pal	Shri H.M. Tripathy
Bhaskar Industries Private Limited	Shri Akhilesh Rathi	Shri Sandeep Baheti
Bio-Spun Private Limited	Shri Ashish Doshi	-
Candor Textiles Private Limited	Shri Suryansh Somani	Shri Ashutosh Khandelwal
Deepa Textiles Private Limited	Shri Kanha Rathi	Shri Sunil Chaudhary
Deepak Spinners Limited	Shri Shantnu Daga	Shri Y.K. Singh
Grasim Industries Limited (SFD)	Shri Mahaveer Jain	Shri Manish Jain
Industrial Filters & Fabrics Limited	Shri Prateek Maheshwari	Shri Pradeep Maheshwari
Jaideep India Private Limited	Shri N.K.Agrawal	Shri Vinay Agrawal
Kamal Cotspin Private Limited	Shri Ankit Lath	Shri Kamal Lath
Kohinoor Elastics Private Limited	Shri Rajendra Matlani	Shri Nitin Matlani
Madhumilan Industries Limited	Shri A.K. Chadhary	Shri Kanak Jain
Mahima Fibres Private Limited	Shri Rohit Doshi	Shri Ashok Doshi
Maral Overseas Limited	Shri S.N.Goyal	Shri Sanjay Bolya
Mohini Health & Hygiene Private Limited	Shri Sarvapria Bansal	Shri Avinash Bansal
Nahar Spinning Mills Limited	Shri D.K. Mundra	Shri Surender Bhatt
PBM Polytex Limited	Shri K.K. Patodia	Shri Vikas Patodia
Pratibha Syntex Limited	Shri Shreyaskar Choudhary	Shri Narendra Kaushik Shri Satish Sachdeva
Prem Textiles (Int.) Private Limited	Shri S.C. Jain	Shri Saurabh Jain
Ramesh Textile India Private Limited	Shri Ramesh Samria	Shri Sanjay Samria
Raymond Limited	Shri Surendra Tiwari	Shri Manish Thorat
Ritspin Synthetics Limited	Shri Manish Kumar	Shri Deepak Nagar
Sagar Manufacturers Private Limited	Shri Siddharth Agrawal	Shri A. K. Saini
Sayam Spinners Private Limited	Shri Chetan Kumar	Shri P.K. Roul
SEL Manufacturing Company Limited	Shri Anchal Kumar	-
Shri Geeta Textile Mills Private Limited	Shri Anurodh Mittal	Shri Anurag Mittal
SRF Limited	Shri Rajeev Narang	Shri Vashudev Agarawal
Swastik Spintex Limited	Shri V.K. Rathi	Shri G.D. Rathi
Swaraj Suiting Private Limited.	Shri Niraj Kachhiya	Shri Prakash Jain
TDB Spinners Private Limited	Shri Akhilesh Gupta	-
Threads of Harman	Shri Manjeet Singh Chawla	Shri Rabmeet Singh Chawla
Vardhman Yarns	Shri S.Pal	Shri Praveen Dhingra
Vardhman Fabrics	Shri T.C. Gupta	Shri Sachin Sakhuja
Vikram Woollens	Shri Man Mohan Singh	Shri Santosh Kumar Singh
Vippy Spinpro Limited	Shri Piyush Mutha	-

COMMITTEE MEETINGS:

During the year 2022-23, four Managing Committee Meetings were held. The Minutes of the Meetings were circulated and timely action was taken to give effect to the decisions of the Committee. Several virtual meetings were also held to discuss various issues.

ANNUAL MEMBERSHIP SUBSCRIPTION:

The Annual Membership Subscription rates for the year 2023-24 were decided as under:

1	Textile Mills	
	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	Industrial Group having more than two Mills.	90,000.00 "
3	Staple Fibre Unit (Grasim Industries Ltd.-SFD)	50,000.00 "
4	National Textile Corporation Ltd.	45,000.00 "
5	Technical Textile Unit.	12,500.00 "
6	Apparel/Garment/ Made-ups Unit	12,500.00 "
7	Textile Unit under construction.	10,000.00 "

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 (TSSC), New Delhi.
- » Federation of Indian Chambers of Commerce & Industry (FICCI), New Delhi.
- » All India Organization of Employers (AIOE), New Delhi.
- » Associated Chambers of Commerce & Industry of India (ASSOCHAM), New Delhi.
- » Federation of Madhya Pradesh Chambers of Commerce & Industry (FMPCCI), Bhopal.
- » Indore Management Association (IMA), Indore
- " Electricity Consumers' Society (ECS), Indore

REPRESENTATION AT ALL INDIA/ STATE LEVEL BODIES:

Our representation (direct/indirect) at various Bodies during the year 2022-23 has been as under:

Name of the Body	Name of the Representative
» Confederation of India Textile Industry Principal Representative	* Shri Akhilesh Rathi, Chairman
Alternative Representative	* Shri Shreyaskar Chaudhary, Vice-Chairman
» CITI CDRA	* Shri Akhilesh Rathi, Chairman
» Textile Sector Skill Council	* Shri Akhilesh Rathi, Chairman
» Federation of Indian Chamber of Commerce Industry.	* Shri Akhilesh Rathi, Chairman
» Associated Chamber of Commerce & Industry of India - M.P. Development Council .	* Shri Akhilesh Rathi, Chairman
» All India Organization of Employers,	* Shri S.N. Goyal, Maral Overseas Ltd.
» M.P. Labour Advisory Board	* Shri Akhilesh Rathi, Chairman
» M.P. Labour Welfare Board	* Shri S. Pal, Vardhman Group
» M.P. Minimum Wages Advisory Board	* Shri Manoj Thakker, Maral Overseas Ltd
» M.P. State Advisory Board for Contract Labour.	* Shri S. Pal, Vardhman Group.
» Federation of Madhya Pradesh Chamber of Commerce & Industry.	* Shri Akhilesh Rathi, Chairman.
» Provident Fund Regional Advisory Committee, Indore.	* Shri M.C. Rawat , Secretary
» E.S.I. Regional Advisory Committee	* Shri S. Pal, Vardhman Group.
» Indore Management Association	* Shri Shreyaskar Chaudary, Vice Chairman
» Shri Ahilyamata Gaushala Jeev Daya Mandal Trust.	* Shri M.C. Rawat, Secretary.
» Electricity Consumers Society.	* Shri M.C. Rawat, Secretary.
» State Advisory Committee of MPERC	* Shri S.N. Goyal, Moral Overseas Ltd. Shri M.C. Rawat, Secretary.
	* Shri Mahendra P. Khante, Vardhman Group

POSITION IN OTHER INDUSTRY BODIES:

Shri Akhilesh Rathi, our Chairman is also

- » President of Indore Management Association.
- » Joint President of Federation of Madhya Pradesh Chambers of Commerce & Industry.
- » Vice Chairman of ASSOCHAM, M.P. State Development Council.

Shri Shreyaskar Chaudhary, our Vice Chairman is Chairman, Confederation of Indian Industry (CII), Madhya Pradesh.

Shri Siddharth Agrawal, our Deputy Chairman is Council Chairman, Confederation of Indian Industry (CII), Bhopal Zone.

ADVISORY COMMITTEE FOR THE TEXTILE SECTOR:

The State Government has constituted under the Roadmap of Atmanirbhar Madhya Pradesh an Advisory Committee for the Textile Sector with an aim to fill up the gap in provision of services, improve quality of products and export promotion under the Chairmanship of Hon'ble Chief Minister. Some of the other Members of the Committee are:

- " Ministers for Industrial Policy & Industrial Promotion (IP&IP), and MSME,
- " Principal Secretaries, IP&IP, MSME and Mg. Director, MPIDC.
- " Non-official Members include Representatives from Textile Industry- some of them are:
- " Shri Neeraj Jain, Vardhman Fabrics,
- " Shri Kamal Oswal, Nahar Spinning Mills
- " Shri Siddharth Agrawal, Sagar Manufacturers Private Limited (Our Dy. Chairman),
- " Shri Akhilesh Rathi, Bhaskar Industries, Private Limited (Our Chairman),
- " Shri Rohit Doshi, Mahima Fibres Pvt. Ltd.
- " Shri Piyush Mutha, Vippy Spinpro Private Limited (Our Past Chairman)
- " Shri Dilip Guar, Grasim Industries Limited

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. The Members of our Association were facing a number of problems in relation to electricity matters, as such a Representation was sent to Shri Sanjay Dubey, Principal Secretary, Energy Department of the State on 8th April, 2022 drawing his attention towards following issues :
 - » Considering the amount of investment in captive power plants, the period of rebate for switchover from captive power to Discom should be for ten years and the amount of the rebate in the range of Rs. 2.50 to Rs. 3.00 per unit.
 - » Instead of allowing Rebate of Re. 1.00 per unit for incremental consumption with reference to corresponding month of 2015-16 for one year, it should be declared for a period of ten years.
 - » The Exemption from payment of Electricity Duty allowed to new HT consumers as per Para 10.8 of Industrial Promotion Policy, 2014 was available up to 31st March, 2019. Since the Policy continues to be in existence, this period should also be extended to coincide with the Policy period.
 - » The time of the day rebate for Off Peak Hours, which was 20% till July, 2021 has been reduced to 10% vide Tariff Order of 2021-22. Since in night hours power consumption is low, it should be restored to 20%.
 - » Discoms are paying interest on consumers' deposit at the rate of 4.25%, whereas it claims 15% on late payment of electricity bills. The rate of interest on deposit should be 15%.
 - » There should not be any Additional Surcharge on solar power in view of the decision of the Hon'ble Supreme Court in the matter of Maharashtra State Electricity & Distribution Co. Ltd v/s JSW Ltd. The West Discom should be advised to stop recovery of such charges and refund of amount wrongly claimed from our Members.
 - » The matter relating to interest on delayed payment of Open Access power purchase during 2011 to 2017 by some of our Members should be settled considering rate of 8.5% (MCLR 7.5+1%)
 - » A Rebate of Rs.2.00 per unit should be considered for all the existing Textile Mills so as to enable them to compete with other States.
 - » The Green Energy Tariff of Rs. 1.13 per unit fixed by Regulatory Commission recently is too high and need to be brought down to Rs. 0.50 per unit.
 - » Various restrictions placed on Roof Top Solar Power Generation by the industry, such as capacity, levy of open access surcharge, reduction of contract demand, etc. need to be withdrawn to boost production of this environment friendly power.

2. Renewable energy plays an important role in energy security and in reducing greenhouse gas emissions. Using renewable energy at large scale helps to reduce fossil fuel uses. Strong Government support and liberal Renewable Energy Policies help smooth installation of Solar Plants in the State mainly Rooftop Solar Plants within the premises of industries. One of our Member Mill situated at Nimrani, District Khargone has a HT supply connection from West Discom. In order to make use of Renewable Energy as per Policy of the Government as also to reduce carbon emission, the Mill installed a Captive Solar PV power plant at its Roof top under the registration from MP Urja Vikas Nigam under Policy for Decentralized Renewable Energy System -2016 and subsequently permission from the West Discom (the Licensee). The West Discom started levy of the 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 the Additional Surcharge on captive power plants. The Mill filed a Petition at Hon'ble Commission on 26th November, 2020 and prayed for withdrawal of the above demand of Additional Surcharge on Solar Captive Power Plant, which was dismissed. On 10th December, 2021 the Hon'ble Supreme Court of India in Civil Appeal No. 5074-5075 of 2019 in the matter of Maharashtra State Electricity & Distribution Co. Ltd. v/s M/s JSW steel limited & Others ordered that the captive consumers/captive users are not liable to pay the Additional Surcharge leviable under section 42(4) of the Act, 2003, and the Distribution Licensee has to refund the same. The Mill represented on 7th January, 2022 to the MPPKVV Co. Ltd. (West Discom) not to charge Additional Surcharge on solar power giving reference of aforesaid Supreme Court Judgment. We also requested the Hon'ble Madhya Pradesh Electricity Regulatory Commission on 2nd February, 2022 to advise the West Discom not to charge the Additional Surcharge on solar power from the Company and honour the orders of Hon'ble Supreme Court in the matter, but no action was taken till date. We made a Representation to the Principal Secretary, Energy Department of the State on the subject on 8th April, 2022, but the matter remained unresolved. The Jodhpur Bench of Rajasthan High Court stayed recovery of such charges also from the solar power generation and use by the consumers. We also brought the matter for kind consideration of the Hon'ble Chief Minister on 12th May, 2022 with a request to advise the concerned including Managing Director, West Discom to stop charging this unlawful surcharge and refund the amount wrongly billed and recovered.

3. The Association submitted a Representation on 17th June, 2022 to Ms. Shubhra, Trade Advisor, Ministry of Textiles, Government of India, regarding support to the Indian spinning sector for a stronger textile value chain. At a time when cotton and yarn exports are declining, the garment export is showing robust growth. As per preliminary estimates of DGCI&S, exports of cotton textiles (including yarn) have shown a decline of 9.1% in May, 2022 as against May, 2021, as compared to a growth of 22.9% in the garment exports during the same period. This trend is expected to continue till the new cotton season starts in October, 2022 indicating increased availability of yarn for domestic downstream industry. The cotton prices have increased steeply (price of 31 mm cotton has increased by over 140% in last 18 months), which has led to the present situation. Cotton comprises 70% of the cotton yarn production cost and as such the impact of the cotton price rise is very high. In spite of that, yarn is today available at a reduced price of around Rs. 20 - 30 per kg. due to sluggish movement of yarn. The rising cotton prices and non-availability of cotton have adversely impacted the spinning sector. Several spinning units across the State have reduced their production capacity by 30-40%, which can impact the employment not only in this particular sector but in the entire value chain.
- In this regard, we requested for the following urgent interventions:
- Provide clarity through an immediate notification on the duty -free import cotton facility from 30th September 2022 to 31st December 2022 to enable the spinning mills to augment the cotton supplies till domestic supplies of new cotton season hit the market.
 - Implement Textile Advisory Group (TAG) recommendations on the improvement in productivity and steps to control the anticipated pink bollworm attack as the root cause of the problem is the lowering of production and productivity.
 - Make online submission of textile statistics to the Office of the Textile Commissioner mandatory by all the stakeholders making it a pre-condition to avail any Government benefit especially from Ministry of Textiles.
 - Announce Technology Mission on Cotton 2.0 giving more thrust for latest technology seeds and agronomy practices.
 - Take steps to make MCX/ NCDEX cotton futures rates more representative of the market situation and prevent speculative trading.
 - Extend 5% interest subvention for yarn bank and provide adequate working capital to meet export commitments.
 - Extend period of EPCG obligation for the spinning segment without penal provision considering the significant drop in the yarn export during the last several years.
 - Recommend to the Ministry of Chemicals and Fertilizers to ban the use of white polypropylene bag and use coloured bag to prevent white polypropylene contamination in the cotton.
4. The State Government issued a Notification on 28th July, 2022 covering the following services of the Department of Industrial Policy & Investment Promotion (DIP&IP) under Madhya Pradesh Lok Sevaon ke Prabandh ki Guarantee Adhiniyam, 2020 and prescribing certain time limits and appellate authority for the same:
- » Interest Claims of large Textile Units.
 - » Reimbursement of claims of expenditure incurred on provision for electricity, water and roads.
 - » Assistance for setting up of Textile Parks.
 - » Capital subsidy Claims for ETP/STP, etc.
- However, other important services were not included in the aforesaid Notification and we, therefore, made a Representation to the Hon'ble Chief Minister of the State on 4th August, 2022 with copies to the Chief Secretary, Principal Secretary, IP & IP and Managing Director, Madhya Pradesh Industrial Development Corporation and requested to include the following services also under the Act:
- » Claims of Investment Promotion Assistance payable under Para 16 of the Industrial Promotion Policy, 2004.
 - » Reimbursement of training expenses paid to domicile of Madhya Pradesh.
5. The Association submitted its inputs for Pre-Budget Memorandum to the Confederation of Indian Textile Industry (CITI), FICCI and ASSOCHAM on 15th September, 2022. Some of the important points raised by us are as under:
- » Slot entire MMF textile value chain (fibre to finished goods) @ 5% GST rate at par with cotton textile value chain;
 - » Enhance RMG value cap under 5% GST to Rs. 2,500, which would boost domestic consumption;
 - » Allow refund of Input Tax Credit on Capital Goods & Services;
 - » Reduce GST rate for services rendered by Common Effluent Treatment Plant from 12% to 5%;
 - » Include Fuel used for generation of electricity under GST so that industry gets refund of input tax reducing power cost;
 - » Cotton Price Stabilization Fund be setup with 5% interest subvention to actual users. Margin money for cotton finance be reduced from 25% to 10% and stock limit be increased from three months to nine months to enable mills to purchase during season;
 - » Grant Funds for Technology Mission on Cotton, this will help increase productivity of cotton;
 - » Provide funds for clearing pending claims under TUFS and also announce new Scheme in place of TUFS;

- » Reduce Hank Yarn Obligation from 30 % to 15%.
6. The Association made a Representation to the Hon'ble Chairman, Madhya Pradesh Electricity Regulatory Commission on 10th October, 2022 regarding illegal levy of Additional Surcharge @ Re.1.12 per unit on Rooftop Solar Power Captive use, for which no infrastructure of West DISCOM is used and threatening by West Discom to one of our Member Mill that if they do not pay such charges, then power will be disconnected. Due to such action of West DISCOM, our Member Mill has been compelled to deposit these charges under protest.
- The Hon'ble Supreme Court of India in Civil Appeal No.5074-5075 of 2019 in the matter of Maharashtra State Electricity & Distribution Company Limited V/s M/s. JSW Steel Limited & Others has ordered that the captive consumers/ captive users 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
- In addition to this, the Hon'ble Madhya Pradesh Electricity Regulatory Commission itself vide its order dated 20th April, 2022 in the Petition No. 49 of 2021 & IA No.08 of 2021 of Grasim Industries Limited and also vide order dated 5th May, 2022 in the Petition No. 53 of 2021 of Kashyap Sweeteners Limited has ordered MPPKVV Company Limited (West DISCOM) not to charge such Additional Surcharges on captive power under Section 42 (4) of the Electricity Act, 2003.
7. Smt. April, 2023. A Representations was submitted to her with the:
- » Request to include eight HSN Codes of knitted synthetic products, as the list of HSN Codes provided in the PLI Guidelines is not comprehensive.
- » Include PLI Projects under PM Mitra Park project with extension of one year both for PLI investment and performance, etc.
8. A Representation was sent to Principal Secretary, Energy Department and also to Managing Director, MP Power Management Company on 29th April, 2023 with a request to advise the Discoms to recover this Fuel and Power Purchase Adjustment Surcharge (FPPAS) only on Energy Charges and not on fixed charge as against its decision to recover the FPPAS on monthly basis depending on power purchase cost and transmission losses. The Discoms have been advised to recover FPPAS @ 5%, for April, 2023 to be levied from 24th April, 2023 for one month on fixed charges and energy charges billed on retail supply consumers. This increase is without scrutiny and approval of MPERC.
- Thus against the earlier Fuel Cost Adjustment (FCA) Charges being recovered only on Energy Charges the FPPAS will be recovered on fixed as well as on energy charges. This is going to increase further the tariff by 5% which will be in addition increase of 3.2% by MPERC announced on 28th March, 2023.
- Due to revision of Electricity Tariff every month, the consumer industry will not be able to plan its production and the costs. The recovery of FPPAS on fixed charges will also adversely affect the working capital requirements. Such an abnormal increase will certainly lead to closure of many industrial units which to against the policy of the State to come and invest in Madhya Pradesh.
- From May, 2023 the recovery of FPPAS has been made only on Energy Charges.
9. A Representation made to Principal Secretary, Department of Industrial Policy and Investment Promotion of the State and also to Managing Director, M. P. Industrial Development Corporation on 15th May, 2023 giving our suggestions for the PM Mitra Textile Park in Dhar District. The major suggestions include:
- » The Park should be powered by a combination of solar, wind, and hydropower, and a central ETP and STP should be set up for the industries in the Park. The Park should be designated as a green zone, and specialists can be engaged to obtain certifications that can serve as a unique selling point for the Park:
- Allow 100% use of Renewable Energy
 - Centralized biological zero-waste STP, ETP, and RO plant (including the supply of drinking water) with doorstep delivery and connection should be ensured.
 - A dedicated feeder of 132 KVA for 24x7 power supply and doorstep electricity availability.
 - Unit rate of Electricity should be Rs.4.00 / Kwh for next seven years,
- » Lead time is crucial for customers, who value shorter transit times for sea and air cargo. To attract investors, it is important to have a strong road and rail net -work for ports such as Mumbai, Mundra, Chennai, and Tuticorin, with 24-hour clearance and flight and train connectivity. To support industries in these ports, a Helpdesk can be established to facilitate faster custom clearance.
- » An Inland Container Depot (ICD) as an integral part of the Park to facilitate easier movement of goods in and out of the Park.
- » A single point of contact for all approvals should be appointed so that investors can focus on their core business instead of spending too much time on following up with statutory requirements - An effective Single

- Window Clearance system should be established with "Madhya Pradesh Industrial Development Corporation" (MPIDC) as the nodal agency.
- » One Officer from MPIDC should be assigned to coordinate and follow up with all the concerned Departments for time-bound clearances. It will be a major attraction to make the park successful.
 - » All approvals should be provided within 30 days, including Cabinet Committee on Investment Promotion (CCIP). If there are any concerns, the MPIDC to inform the same to the interested party.
 - » Centralised Skill Development Centre with World class faculty and equipment.
 - » Set up a Design and Development Centre with partnership with top National Institutes to facilitate research and development in the textile industry.
 - » Plug and play facilities for MSMEs / Ancillary Units with various shed sizes including 10,000 / 20,000 / 50,000 sq. ft.
 - » Centralized kitchen with subsidized food under Government Schemes.
 - » High-speed communication links such as 5G Wi-Fi, optical fiber lines, and high-resolution CCTV.
 - » Well-developed internal roads with width of 6 meters and Weigh Bridge facility.
 - » 24-hour park security facility with a Police Post.
 - » Centralized gas and steam supply.
 - » The Park should be certified with an IGBC Platinum rating.
 - » Provide dormitory accommodation for both male and female employees, including facilities such as Canteen, laundry, kitchen and dining, and a Multi-purpose recreation centre.
10. A Representation was sent to the Principal Secretary, Paryavaran Vibhag of the State with a copy to Chairman, Pollution Control Board on 2nd June, 2023 for Rationalisation of Fees payable by establishments for the consent to operate water/air. The fees payable under the Order dated 31st March, 2022 of the Department are kept as percentage of total gross investment made in the establishment. The value of investment in Plant & Machinery and other assets diminishes with every year use of these assets by way of depreciation and after particular time these assets require replacement/modification/up-gradation. The technological innovation is very fast in the present environment and the assets loose value. Under these circumstance, the fees payable for renewal of consent to operate should be based on depreciated value of investment {Net Block} instead of the Gross Block.

We, therefore, requested them to consider the matter and revise the fees payable for various consents based on the depreciated value of the investment. The above changes will boost the industry in making investment in the State of Madhya Pradesh, which will lead to generate more employment.

PROGRAMME ON UNION BUDGET 2023-24:

Budget-2023-24 was presented in the Parliament on 1st February, 2023 by the Union Finance Minister. A programme "Analysis of Budget-2023-24" was organized by us jointly with Textile Association Madhya Pradesh Unit, Spinners Club and MP Mill Stores Merchants Association on 2nd February, 2023 evening. The programme was presided by Shri Manjeet Singh Chawla, Director, Threads of Harman. The speakers included Dr. Jayantilal Bhandari, Sr. Economist; Prof. Kamlesh Bhandari, Economist; CA Shri Sunil Jain and CS Shri Ajit Jain. Hailing the 'Visionary Budget' Dr. Jayantilal Bhandari said while on the one hand the economic gifts are visible, on the other the growth is increasing. Based on the projections, the growth rate of over 6% for the year 2023-24 would be highest in the World, keeping the fiscal deficit up to 5.9% of GDP. He 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 agriculture and infrastructure development. This Budget aims to provide food and power to the World and has been praised very much even by the international press.

Prof. Bhandari said the Finance Minister has laid emphasis on developmental capital expenditure. There have been enrolment of over 6 crore employees as per ESI in last five years, which shows a good growth of employment. He was of the view that for backward classes the income limit is Rs. 8 lakh, but for the income tax purposes it is Rs.7 lakh. The main aim of the Budget is to increase demand and employment.

CA Shri Jain explained various changes in Income Tax, Customs, GST and provisions related to MSME sector. CS Shri Ajit Jain spoke about Capital Market and was of the view that in the year 2023-24, the investor may get good returns by investment

in the shares of infrastructure, defence items, rail and real estate companies.

Shri Manjeet Singh Chawla was of the view that with the present policies of the Government, the production of ELS cotton will increase in the Country and Textile Sector will get a boost.

VISIT OF TEXTILE COMMISSIONER:

On 10th January, 2023 the Association got the opportunity to welcome the Hon'ble Textile Commissioner, Government of India, Ms. Roop Rashi, and Additional Textile Commissioner, Shri S.V. Verma., who were in the city in connection with Global Investors' Summit organized by the State Government on 11th and 12th January, 2023. An inter-action meeting was arranged in the Board Room of our Office premises. Both the dignitaries were welcomed by Shri Shreyaskar Chaudhary, our Vice Chairman. About 25 representatives of Member Mills attended the Meeting. Discussions were held about the long pending TUFs issues, Incentives under RoDTEP Scheme, Sustainability in the Textile Industry, Value addition by promotion of garment units, etc. The Hon'ble Commissioner assured to look in to all the issues. Vote of thanks was proposed by our Dy. Chairman, Shri Siddharth Agrawal. Shri D. Ravi Kumar, Director, Local Office of Textile Commissioner was also present on the occasion with his team

AWARDS TO /FALICITATION OF MEMBER MILLS:

- On 20th March, 2022 at Surat, Synthetic & Rayon Export Promotion Council's (SRTEPC) Export Performance Awards for the years 2019-20 and 2020-21 were presented at the hands of Smt. Darshan Vikram Jardosh, Union Minister of State for Textiles to the following of our Member Mills:

VISCOSE STAPLE FIBRE: Grasim Industries Limited	- Gold Trophy
M M FIBRE YARN BLENDED WITH NATURAL FIBRE: Vardhman Textiles Limited	- Gold Trophy
- 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 Ho'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 Ltd.
- At Bhopal on 10th April, 2022, Pratibha Syntex Ltd. was conferred with Recruiter of the Year Award by the Federation of Madhya Pradesh Chambers of Commerce & Industry at the hands of Governor of the State Hon'ble Shri Mangubhai Patel.
- 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 headquartered in India based on their alignment with the 17s Development Goals (SDGs).
- Shri Sudhir Agrawal, Chairman, Sagar Group was conferred with 'Leader of Change' award by Times of India Group on 28th June, 2022 at Bhopal. The award was received by Shri Siddharth Agrawal, our Dy. Chairman at the hands of Shri Prahalad Singh Patel, Union Minister of State for Food Processing and Jal Shakti.
- At a function held on 23rd August, 2022 the following of our Members were awarded Trophies by Cotton Textile Export Promotion Council (TEXPROCIL) for their Outstanding Export Performance in 2020-21 at the hands of Shri U. P. Singh, Secretary, Textiles and Ms. Roop Rashi, Textile Commissioner:
 - » Highest Global Exports: Vardhman Textiles Limited - Group Companies-Silver.
 - » Processed Yarns: Nahar Spinning Mills Limited -Gold.
 - » Yarn Counts 50s and below: Nahar Spinning Mills Limited- Gold.
- Shri Shreyaskar Chaudhary (our Vice-Chairman), Managing Director, Pratibha Syntex Limited (a leading apparel export company), has been conferred with Textile Exchange's 'Ryan Young Climate+ Award' in the 'Climate Leader' Category. The award was given on 15th November, 2022 during the Textile Exchange's 20 Years' celebration event held at Flying W Ranch. The award is a recognition of Shri Shreyaskar's consistent efforts toward sustainability owing to his endeavours, carbon emissions have been reduced by 11% and he has set a goal for the Company to reduce scope 1 and scope 2 emissions by 80% by 2025.
- On 1st December, 2022 Shri Shreyaskar Chaudhary (our Vice-Chairman), Managing Director, Pratibha Syntex Limited was conferred with Pride of Central India 2022 Award of Dainik Bhaskar Group at the hands of Hon'ble Shri Jyotiraditya Scindia, Union Aviation Minister.
- Grasim Industries Limited's Pulp & Fibre Business has been awarded the Prestigious Golden Peacock Innovation Management Award' for the year 2022, by the Awards Jury under the Chairmanship of Justice M. N. Venkatachaliah, former Chief Justice of India and former Chairman, National Human Rights Commission of

- India and National Commission for Constitution of India Reforms at the hands of Prof. S. P. Singh Baghel, Union Minister of State for Law and Justice and Lt. Gen. Surinder Nath, PVSM, AVSM (Retd.) President, Institute of Directors.
10. At the 3rd Global Textile Conclave held at Jaipur on 17th March, 2023, Pratibha Syntex Limited (Our Member) was declared winner of CITI Sustainability - Expanding Circularity Award.
 11. At a function held on 9th March, 2023 the following of our Members were winners of SRTEPC Export Awards for 2021-22:
 - » Grasim Industries Limited: for Viscose Staple Fibre-Gold Trophy
 - » Vardhman Textiles: for Man-made Fibre Yarn Blended with Natural Fibre-Silver Trophy
 - » Vardhman Textiles: for Blended Fabrics of Synthetic Fibre and Natural Fibres-Bronze Trophy.
 12. Great Place to Work® Institute, India (a Global Management Research and Consulting Firm dedicated towards Enabling Organisations to Build Better Workplaces by Recognising the Culture in the Organisation) has successfully completed the assessment of Jaya Shree Textiles, Vikram Woollens (our Member) and Grasim Premium Fabric, the Domestic Textiles (DT) business of Grasim Industries Ltd and has certified them as a Great Workplace.

NEW PROJECTS/EXPANSION PLANS:

1. 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 Ltd.
2. Sagar Manufacturers Ltd., have commissioned Madhya Pradesh's largest 4 MW Roof Top Solar Power Plant at its unit on 15th September, 2022, which will reduce 1,23,004 tons of carbon foot print equivalent to plantation of approximately two lakh trees.
3. On 3rd November, 2022, the Hon'ble Chief Minister, Shri Shivraj Singh Chauhan launched a project of Rs. 1,070 crore at Sagar Textile Manufacturers, Tamot, which will provide employment to 3,000 persons.
4. Pratibha Syntex Ltd has reduced carbon emissions in its factory by 11% and curtailed 100% consumption of fresh water in processes. It has targeted a reduction of 80% greenhouse gas emissions from scope 1 and scope 2 by 2025. The Company undertook a number of measure to reduce its impact:
 - » To increase the share of renewable energy, a 2.4 MW rooftop solar power plant has been installed. The share of renewable energy is 37% of total electricity consumption. The solar power plant will be expanded to 4.9 MW by 2025.
 - » To reduce consumption of fossil fuels, the boiler at one of the factories has been converted from coal to Bio-mass Briquette, thus reducing consumption of 180,000 liters of diesel per year.
 - » Machinery up-gradation has been executed. Old machines have been replaced with more energy-efficient machines. The annual saving in energy is equivalent to one year of electricity needed for 3,500 families.
 - » Company has been recycling 100% of water and infusing 93% of water back into processes. The chemical effluent treatment plant has been converted into a biological process. This has reduced the waste by 86%.

CSR ACTIVITIES OF MEMBER MILLS:

1. Anant Spinning Mills and Vardhman Yarns donated Medical Equipment worth Rs. 5.00 lakh to Primary Health Centre, Misrod on 29th August, 2022. The equipment were dedicated at the hands of Shri S. Pal Director, M. P. Locations of the Group in the presence of Dr. R. Kumar and Dr. B. K. Shrivastava of the Primary Health Centre.
2. At a function held on 8th September, 2022 Vardhman Group provided Computer Laboratory worth Rs. 26.64 lakh to Government Polytechnic College, Raisen for promoting Technical Education programme. Shri S. Pal, Director M P Locations inaugurated the facility in the presence of Shri Aditya Richaria, ADM. This CSR project was implemented under the guidance of Shri S P Oswal, Chairman and Ms. Suchita Jain Oswal, Vice Chairman of the Company.
3. In partnership with Fairtrade, Pratibha Syntex Limited distributed gift coupons worth Rs 7,000 to each of its 4,575 employees. Total amount of the coupons is more than Rs. 3.2 crore. The coupons were given to workers, who joined the company on or before 31st December, 2022, and had a gross salary of Rs 15,000 p.m. in the presence of Shri Shreyaskar Chaudhary, Mg. Director of the Company (our Vice Chairman) and top management officials. This initiative was supported by Patagonia, Prana and Pact. The coupons can be used to purchase jewellery, electronic appliances, garments, or footwear from any Reliance Retail online or offline store within the next year.

4. Shri S. Pal, Director, MP Locations and Shri T.C. Gupta, Plant Head of Vardhman Textiles handed over a cheque for a sum of Rs.60 lakh (under Corporate Social Responsibility) to Dr. Ajay Singh, Executive Director, All India Institute of Medical Sciences, Bhopal for purchasing instruments for Tissue Engineering Services.

AUDITORS:

M/s. R.D. Asawa & Co; Chartered Accountants, Indore appointed as Auditors for the financial year 2022-23.

MONTHLY NEWS LETTER:

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

WEBSITE (www.mptma.in):

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

DIRECTORY OF MEMBERS:

The DIRECTORY- 2023 of Member- Mills was compiled and circulated.

ACKNOWLEDGMENTS:

The Association wishes to place on record its sincere gratitude to the Hon'ble Union Textile Minister, Chief Minister of the State, other Cabinet Ministers of the State, Textile Commissioner, 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), and other Chambers and Industry Associations and organizations for their continued support in resolving problems of the Textile Industry from time to time.

RAW MATERIAL

Cloth or Fabric is such an item, without which we can't imagine of living in the society. The products of textile industry are such that each one of us could not think doing without. 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 5.3 million tons of cotton, 35 million kilos of silk, 37million kilos of wool and 4.00 million tons of Man-Made Fibre/filaments, which represent roughly 23% of World production in cotton, 14% in silk, 4% in wool and 5% in Man-Made fibre.

FIBRE CONSUMPTION TREND:

In our Country 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 about 41% and fibre consumption will be dominated by Man-Made fibres. The following table shows trend of fibre consumption in India:

Year	Consumption (Million Tons)				Consumption Share%		
	Total	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	7.6	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

Source: SRTEPC

COTTON SCENARIO:

Cotton has played a vital role in industrial evolution that began in the eighteenth century. It is also important in the textile industry as a global raw material. In India, the supremacy of cotton sector exists, as it consumes the greatest amount of cotton. The largest cotton exporters are India, U.S. and Brazil. The largest importers are China, U.S. and others. As per Data Bridge Market Research analysis cotton processing market was valued at USD 76.43 billion in 2021 and is expected to reach USD 121.81 billion by 2029, registering a CAGR of 6.00% during the forecast period of 2022 to 2029.

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 6 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. 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 37% of the World total cotton acreage. Our Country is the largest producer (about 21% global cotton production) second largest exporter next only to U.S.A. and the second largest consumers (22% of global consumption) of cotton next only to China in the World.

BRANDING OF INDIAN COTTON:

The Ministry of Textile has taken the initiative of branding of cotton for the first time at national level for quality consciousness and building image of Indian cotton at Global level, Brand name for Indian cotton was launched on 7th October, 2022 on the occasion of World Cotton Day, 'KASTURI COTTON' to attain the objective of making India Atmanirbhar and vocal for local in the field of cotton. Logo of Kasturi cotton India is Certification mark of Trademarks Act has been registered and Prototype QR code based labels and certification system along with protocol for inspection and testing of the cotton bales has been developed. All the ginneries in the Country have been empowered to produce Kasturi cotton India brand as per stipulated Protocol.

AREA UNDER COTTON, PRODUCTION AND YIELD:

As per available reports, India cultivates cotton in the area of 125 hectare, which is 38% 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 2022-23, cotton production in the country is estimated at 34.5 million bales (170 kg), while cotton consumption is estimated at 5.2 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 2022-23 are given in the following table:

Area in Lakh Hectares

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	123.71	311.17	428	284.93	21.48	21.13	42.25
2022-23	129.27	336.60	442	195.00	100.00	14.50	15.50

STATEWISE AREA UNDER COTTON:

The following table shows State-wise cotton area from 2016-17 to 2022-23 is as under:

Area in Lakh Hectars

State	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Punjab	3.39	2.85	2.91	2.68	2.50	2.52	2.51	2.49
Haryana	6.15	5.70	6.65	7.08	7.20	7.40	6.36	5.75
Rajasthan	4.48	4.71	5.84	6.29	7.60	8.07	7.56	8.15
Gujarat	27.22	23.82	26.24	26.60	26.60	22.70	22.84	24.84
Maharashtra	42.07	38.00	43.51	42.18	44.90	45.44	44.10	41.82
Madhya Pradesh	5.63	5.99	6.03	6.14	6.50	5.88	5.60	5.95
Telangana	17.73	14.09	18.97	18.39	21.30	23.58	18.89	19.73
Andhra Pradesh	6.66	4.72	6.46	6.20	6.60	6.06	5.54	7.04
Karnataka	6.42	5.10	5.47	7.18	8.20	8.20	6.74	9.49
Tamil Nadu	1.42	1.42	1.83	1.33	1.70	1.12	1.48	1.73
Odisha	1.25	1.36	1.45	1.57	1.70	1.71	1.93	2.16
Others	0.50	0.50	0.50	0.50	0.10	0.17	0.16	0.12
Total	122.92	108.26	125.86	126.14	134.80	132.85	123.71	129.27

STATEWISE COTTON PRODUCTION:

The State-wise cotton production from 2015-16 to 2022-23 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	2022-23
Punjab	6.25	9.00	11.50	8.50	9.50	10.23	6.46	4.44
Haryana	14.50	20.50	22.50	23.00	26.50	18.23	13.16	10.01
Rajasthan	15.00	16.50	22.00	27.50	29.00	32.73	24.81	27.74
Gujarat	90.00	95.00	104.00	90.00	89.00	72.18	75.09	87.95
Maharashtra	76.00	88.50	85.00	76.00	87.00	101.05	82.49	83.16
Madhya Pradesh	18.00	20.50	20.50	23.00	20.00	13.38	14.20	14.33
Telangana	58.00	48.00	55.00	42.00	54.00	57.97	48.78	57.45
Andhra Pradesh	23.75	19.00	20.50	15.00	18.00	16.00	17.08	15.41
Karnataka	19.50	18.00	18.00	16.00	20.00	23.20	19.5	25.68
Tamil Nadu	6.00	5.00	5.50	6.00	6.00	2.43	3.02	3.19
Odisha	3.00	3.00	3.50	4.00	4.00	5.51	6.26	7.05
Others	2.00	2.00	2.00	2.00	2.00	0.23	0.27	0.19
Total	332.00	345.00	370.00	333.00	365.00	352.48	311.17	336.60

The cotton production in the State has started falling from 2020-21.

STATEWISE 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	2022-23
Punjab	313	537	687	539	651	690	438	303
Haryana	401	611	549	552	623	419	352	296
Rajasthan	569	596	677	743	649	675	558	579
Gujarat	562	678	672	575	569	541	559	602
Maharashtra	307	396	326	306	329	378	317	338
Madhya Pradesh	544	582	624	637	523	386	431	409
Telangana	556	579	488	388	432	418	439	495
Andhra Pradesh	606	684	559	411	466	449	324	372
Karnataka	516	600	538	379	416	481	493	460
Tamil Nadu	718	599	511	767	600	369	347	313
Odisha	408	375	428	433	400	547	551	555
India	458	542	500	449	460	451	478	443

COMMITTEE ON COTTON PRODUCTION AND CONSUMPTION:

The Ministry of Textile formulated on 14th September, 2020 a Committee on Cotton Production & Consumption (CoCPC) to estimate production demand, export, etc. in respect of cotton, headed by Textile Commissioner and includes members from CAI, CITI, TEXPROCIL, and other stakeholders. The last Meeting of the Committee was held 1st June, 2023 whereat cotton production for 2021-22 and 2022-23 was discussed. Comparative Cotton Balance Sheet of last three years is as under:

Particulars	2020-21		2021-22		2022-23*	
	Lakh Bales	'000Tons	Lakh Bales	'000Tons	Lakh Bales	'000Tons
Supply:						
Opening Stock	120.79	2,053.43	71.84	1,221.28	39.48	671.16
Crop	352.48	5,992.16	311.17	5,289.89	336.60	5,722.20
Import	11.03	187.51	21.13	359.21	14.50	246.50
Total Supply	484.30	8,233.10	404.14	6,870.38	390.58	6639.86
Demand:						
Mill Consumption	297.45	5,056.65	284.93	4,843.89	195.00	3315.00
SSI Consumption	22.42	381.14	21.48	365.16	100.00	1700.00
Non-Textile Consumption	15.00	255.00	16.00	272.00	16.00	272.00
Export	79.59	1,319.03	42.25	718.25	15.50	263.50
Total Demand	410.46	7,011.82	364.66	6,199.22	326.50	5550.50
Closing Stock	71.84	1,221.28	39.48	671.16	64.08	1089.36

* As estimated on 6th November 2023.

GROWTH OF MAN-MADE FIBRES:

India is the second largest producer of manmade fibres after China. The manmade fibre value chain is vertically integrated with upstream and downstream linkages from raw materials to finished goods. Globally MMF consumption is dominant, whereas India has been traditionally focusing on Cotton textiles. Hence, in order to move towards higher Global MMF share, it has become important to focus on man-made textiles along with cotton textiles. Ministry has set up Textile Advisory Group on MMF- an informal body on 17th January, 2023 to deliberate and recommend on the issues pertaining to entire value chain of manmade fibres.

The production of Man-made Fibres and Manmade Filament Yarn during last five years have been as under:

Quantity in 1000 Tons

Item	Installed Capacity			Production				
	2019-20	2020-21	2021-22	2017-18	2018-19	2019-20	2020-21	2021-22
Acrylic Fibre	107.00	107.00	107.00	90.97	99.45	102.90	77.02	66.68
Polyester Staple Fibrefill	69.00	69.00	69.00	51.33	52.99	49.89	40.30	39.04
Polyester Staple Fibre	1,350.46	1,350.46	1,350.46	1,005.30	931.44	1,027.49	909.38	1,160.48
Polypropylene Staple Fibre	30.93	30.93	29.73	22.24	20.74	18.82	15.34	21.25
Total Fibre	1,557.39	1,557.39	1,556.19	1,169.84	1,104.62	1,199.10	1,042.04	1,287.45
Nylon Filament Yarn	58.52	58.52	66.58	40.01	46.62	48.29	33.27	46.19
Nylon Industrial Yarn/Tyre Cord	152.02	152.02	165.70	107.59	109.55	99.75	90.29	115.47
Polyester Filament Yarn	2,719.79	2,727.37	2,661.15	2,283.41	2,316.43	2,520.33	1,997.93	2,560.79
Polyester Industrial Yarn	21.50	21.50	21.50	15.04	14.83	14.73	12.36	14.39
Polypropylene Filament Yarn	3.60	3.60	3.60	3.15	2.36	2.52	2.17	2.81
Elastomeric/Spandex Filament Yarn	8.50	8.50	8.50	6.18	7.08	8.06	6.60	12.90
Total Filament Yarn	2,963.93	2,971.51	2,927.03	2,455.38	2,496.87	2,693.68	2,142.62	2,752.55
G.Total	4,521.32	4,528.90	4,483.22	3,625.22	3,601.49	3,892.78	3,184.66	4,040.01

Source: Ministry of Chemicals & Fertilizers Annual Report 2022-23

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:

Quantity in Million Kgs

Year	Production of Indigenous Wool	Imports Raw Wool
2010-11	42.99	94.77
2011-12	44.73	76.29
2012-13	46.05	77.16
2013-14	47.90	89.60
2014-15	48.10	96.53
2015-16	47.20	97.84
2017-18	46.00	79.95
2018-19	46.00	77.00
2019-20	45.00	69.00
2020-21		81.62
2021-22	37.00	107.84

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.

The International Cotton Advisory Committee (ICAC) has projected World Cotton Production and Consumption estimates for 2019-20, 2020-21, 2021-22 and estimates for 2022-23, which are given in the following table:

Quantity in Million Tons				
	2019-20	2020-21	2021-22	2022-23
Production	26.23	24.00	25.18	24.68
Consumption	23.04	25.10	25.83	23.88
Exports	8.78	10.65	9.60	8.44
Ending Stocks	22.11	20.19	19.41	20.21

World Cotton Production and Consumption of major producing/consuming Countries during 2018-19 to 2022-23 as reported by ICAC are as under:

Quantity in Million Tons										
Country	2018-19		2019-20		2020-21		2021-22		2022-23	
	Prod	Cons	Prod	Cons	Prod	Cons.	Prod	Cons	Prod	Cons
China	6.04	8.25	5.80	7.23	5.91	8.40	5.73	8.31	5.98	7.50
India	5.66	5.40	6.20	4.45	6.02	5.70	5.22	5.30	5.50	5.01
USA	4.00	0.63	4.34	0.47	3.18	0.52	3.81	0.55	3.15	0.45
Pakistan	1.67	2.36	1.46	2.34	0.96	2.15	1.26	2.45	0.84	1.90
Brazil	2.78	0.73	3.00	0.57	2.36	0.69	2.55	0.70	3.02	0.70
Vietnam	-	1.51	-	1.44	-	1.52	0	1.46	-	1.20
Bangladesh	-	1.58	-	1.50	-	1.64	0	1.73	-	1.60
RoW	5.83	5.55	5.43	5.04	5.57	5.08	6.61	5.33	6.19	5.52
World	25.98	26.01	26.23	23.04	24.00	25.70	25.18	25.83	24.68	23.88

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 2022-23 as under:

Country	Production (Tons)	Area Harvested ('000 Hectares)	Yield Kgs./Hectare
India	5500	13000	423
China	5980	3000	1993
U S A	3150	2957	1065
Brazil	3020	1650	1830
Pakistan	836	2065	405
Turkey	887	485	1829
Uzbekistan	590	1000	590
Australia	1252	667	1877
Greece	305	272	1121
Argentina	250	400	625
World	24679	32152	767

WORLD FIBRE CONSUMPTION:

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

Year	Consumption (Million Kgs.)				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 2022-23 is the 6th year of such activities in Madhya Pradesh. CITI - CDRA activities in Madhya Pradesh during 2022-23 were spread in 18 clusters of 203 villages covering a land of around 72,800 hectares in which about 64,530 farmers were included.

Financial Requirements of Rs. 32 lakh met from contributions from Vardhman Textiles Limited, Pratibha Syntex Limited, Bayer Crop Science Ltd, Confederation of Indian Textile Industry, Members of Textile Mills' Association and interest income on investments.

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:

- Introduction of better performing and high yielding BT/improved Non-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.
- ETL based pest and disease management through continuous surveillance.
- Conservation of beneficial insects and their proper use in insect management.
- Avoiding the use of extremely hazardous insecticides and their cocktail mixtures.
- Safe use of pesticides.

As a result of project activities, the average yield of cotton in project areas of the 18 clusters is found to be higher by about 8.69% as compared to the yield of non-project area:

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

District	Cluster	Project Area		Non-Project Area		Increase %
		Range	Average	Range	Average	
Ratlam 75 Villages 28943 Hectares 21429 Farmers	Ratlam	500-767	633	433-733	608	4.11
	Sailana	400-600	630	383-667	573	9.95
	Bajana I	505-933	733	467-867	690	6.23
	Bajana II	533-833	745	600-800	713	4.49
	Range/ Average	400-933	695	383-867	646	6.06
Jhabua 69 Villages 24970 Hectares 22700 Farmers	Jhabua	500-1000	767	400-733	467	64.24
	Ranapur	600-933	812	267-833	550	48.55
	Rama	533-867	733	333-800	500	46.60
	Thandla	533-968	700	333-1000	433	61.66
	Meghnagar	400-800	700	267-800	467	49.89
	Petlabad	533-933	733	400-733	533	37.52
	Range/Avreage	400-1000	625	267-1000	492	27.03
Dhar 20 Villages 4240 Hectares 440 Farmers	Dattigaon	333-767	667	267-833	500	33.4
	Badnavar	500-667	600	500-600	547	9.69
	Range/Average	333-367	633	267-833	523	21.03
Alirajpur 39 Villages 13000 Hectares 19961 Farmers	Alirajpur	800-1000	875	615-800	735	19.05
	Jobat	500-700	605	450-575	550	10.00
	Udaigarh	800-975	850	600-800	700	21.43
	CSANagar	900-1150	1000	533-800	700	42.86
	Sondwa	400-800	700	200-400	300	133.33
	Kattiwada	500-800	700	300-500	400	75.00
	Range/Average	400-1150	691.2	200-800	564.17	22.52

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
2021-22	1,47,781
2022-23	1,18,800

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 2022-23 AND 2023-24:

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.6,620 and Rs. 7,020 per quintal for the season 2023-24. Based on the support price for these two basic varieties vis-à-vis the normal price differential and other relevant factor, the Textile Commissioner announced the support price for other varieties of kapas vide Notification dated 6th September 2023.

The Cabinet Committee on Economic Affairs (CCEA) Chaired by the Prime Minister on 8th June, 2022 approved the increase in Minimum Support Price of cotton for the season 2023-24, is as under.

Cotton	2022-23	2023-24	Increase
Medium Staple	Rs. 6,080	Rs. 6,620	8.88 %
Long Staple	6,380	7,020	10.03%

A comparison of Minimum Support Price for 2022-23 and 2023-24 cotton seasons (October -September) is as under:

Class of cotton	Fibre Quality Parameters		Minimum Support Price Rs. per Qtl.		Names of the Indicative varieties used by the Trade.
	Basic Staple Length (2.5% Span Length) in mm	Micronaire Value	2022-23	2023-24	
(I)	(II)	(III)	(IV)	(V)	(VI)
Short Staple (20 mm & below)					
	-	7.08-8.0	5,580.00	6,120.00	Assam Comilla
	-	6.8-7.2	5,580.00	6,120.00	Bengal Deshi
Medium Staple (20.5 mm- 24.5 mm)					
	21.5-22.5	4.2-6.0	5,830.00	6,370.00	V-797/G.Cot.1.3/G Cot.21
	21.5-23.5	4.8-5.8	5,880.00	6,420.00	Jayadhar
	23.5-24.5	3.4-5.5	5,930.00	6,470.00	AK/Y-1(Mah & MP)/MCU7 (TN)/SVPR -2(TN)/PCO-2 (AP & Kar)/L-11(TN)
Medium Long Staple (25.0 mm)					
	24.5-25.5	4.3-5.1	6,080.00	6,620.00	J-34 (Raj)
	26.0-26.5	3.4-4.9	6,180.00	6,720.00	LRA-5166/KC-2(TN)
	26.5-27.0	3.8-4.8	6,230.00	6,720.00	F-414/H-777/j-34 Hybrid
Long Staple (27.5 mm-32.0 mm)					
	27.5-28.5	4.0-4.8	6,280.00	6,920.00	F-414/H-777/J-34 Hybrid
	27.5-28.5	3.5-4.7	6,280.00	6,920.00	H4/H- 6/MECH/RCH-2
	27.5-29.0	3.6-4.8	6,330.00	6,970.00	Shankar-6/10
	29.5-30.5	3.5-4.3	6,380.00	7,020.00	Bunny/Brahma
Extra Long Staple (32.5 mm & above)					
	32.5-33.5	3.2-4.3	6,580.00	7,220.00	MCU-5/Surabhi
	34.0-36.0	3.0-3.5	6,780.00	7,420.00	DCH-32
	37.0-39.0	3.2-3.6	7,580.00	8,220.00	Suvin.

COTTON PRICE TREND:

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 was extended till 31st October, 2022.

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, Cotton Corporation of India, Cotton Research Institutes and Representative from Industry The Group is to 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 2021-22 and 2022-23 have been as under:

Average Spot Rates Rupees per Candy (at Month end)

Month	J-34 SG Punjab		Mech-1/H-4 (28mm) MP		S-6 (28 mm) Gujarat		Dch-32 (34/36 mm) Karnataka	
	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23
April	60,340	89,120	47,500	96,700	47,000	96,000	77,800	1,17,000
May	66,710	1,02,120	50,200	1,03,000	49,500	1,00,000	83,200	1,16,000
June	47,990	95,045	52,500	94,000	52,500	95,000	85,000	1,09,000
July	51,500	89,890	56,800	88,500	57,800	86,500	97,500	97,000
August	50,305	1,01,625	56,000	1,00,000	56,500	99,500	96,800	1,10,500
September	50,490	66,240	42,227	73,000	41,093	72,000	56,250	87,000
October	61,160	65,235	63,000	67,000	62,500	66,500	1,25,000	81,500
November	61,060	69,300	65,800	68,500	66,000	68,500	1,19,000	75,500
December	64,030	62,730	69,300	59,000	68,500	59,500	1,25,000	64,500
January	71,450	65,770	77,500	62,500	77,000	63,500	1,28,000	68,000
February	73,770	66,780	79,800	62,300	77,000	62,800	1,06,500	73,500
March	88,190	65,720	94,000	60,000	93,000	62,500	1,15,000	76,500
April	89,120	65,720	96,700	62,000	96,000	62,500	1,16,000	76,000
May	1,02,120	61,680	1,03,000	58,500	1,00,000	58,000	1,17,000	72,500

Source: Indian Cotton Federation 15th June, 2023 (one candy= 355.56 kgs).

QUALITY CONTROL ORDERS:

Quality control order for Cotton was notified on 28th February, 2022 which will be operative from the 27th August, 2024:

Cotton Bales **IS 1512171:2019**

The Quality Control Order (QCO) on Viscose Staple Fibre (VSF) has been implemented from 29th March, 2023:

Viscose Staple Fibre **IS 17266:2019**

The Quality Control Orders for Polyester items are applicable from dates noted against each:

Item	Standard	Date
Polyester Staple Fibres (PSF)	IS 17263:2019	3rd July, 2023
Polyester Continuous Filament Fully Drawn Yarn (FDY)	IS 17261:2019	5th October, 2023
Polyester Industrial Yarn (PIY) -	IS 17264:2019	3rd July, 2023
Polyester Partially Oriented Yarn (POY) -	IS 17262:2019	5th October, 2023
Polyester Spun Grey and White Yarn (PSY)	IS 17265:2019	5th October, 2023

ORGANIC COTTON:

Organic Cotton is grown in system that works with nature, rather than against it. Organic cotton provides all the quality and texture desired of cotton product. The demand for Organic Cotton is rising with people become more conscious for environment and health. According to Organic Cotton Market Report 2022 of Textile Exchange, the World production of Organic Cotton is just 1.4% of all cotton grown and has risen from 610 tons in 2001 to 5,55,991 tons (includes 1,80,726 tons of In-conversion Cotton Fibre) in 2021. Organic Cotton is grown in 21 countries and around 95% of global organic cotton production comes from just seven Countries. Presently it is grown on 6,21681 hectares of land The top eight organic cotton producing countries are India (38.19%), Turkey(23.62%), China (9.82%),Kyrgyzstan (9.04%), Tanzania (6.12%), Kazistan(4.35%) Tajikstan (3.99%) and USA (1.7%) 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	1,07,790
2016-17	1,18,032
2017-18	1,82,482
2018-19	2,93,787
2019-20	2,49,153
2020-21	3,42,265*
2021-22	

*Excluding In-conversion cotton fibre 1,80,726 tons.

According to this report of Textile Exchange 1,30,849 tons (38.19% of Global production) of Organic Cotton was grown in India on 2,20,125 hectares of land in the year 2020-21. 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	1,30,849
2021-22	

INDIAN GOVERNMENT VIEW ON ORGANIC COTTON:

As per information given by Minister of State for Heavy Industries Shri Kishan Pal Gurjar in Rajya Sabha on 11th Feb, 2022 the production of organic cotton in India during 2020-21 has been 8,10,934 tons against 3,35,712 tons in 2019-20, State wise details of 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 2021-22 and they produced 22% of global cotton production. Better Cotton is available in 22 cotton producing countries after only ten years of operations. During cotton season 2021-22, 54,14,111 tons of Better Cotton lint was produced Worldwide. There was increase of 15% in production compared to season 2020-21.

India was one of the first countries to implement the Better Cotton programme, with the first harvest of Better Cotton produced in 2011. It has the largest number of farmers participating in the programme and growing Better Cotton India also has the largest area under cotton cultivation in the World. However, farmers can face many growing and productivity challenges, and as all Better Cotton Farmers in India are smallholders (farming on less than 20 hectares of land). Better Cotton and our Implementing Partners work closely with them to help those secure better yields and fibre quality.

Better Cotton is grown in Gujarat, Madhya Pradesh, Maharashtra, Punjab, Rajasthan and Telangana, and Karnataka.

Better Cotton is produced in India by 9,08,575 licensed BCI Farmers producing Better Cotton lint of 8,63,480 tons on 13,52,286 hectares in cotton season 2021-22.

MANDI TAX ON COTTON:

From 8th January, 2019, Mandi Tax @ Rs.1.50 per Rs. One Hundred is applicable on cotton, which has been reduced to Rs. 0.50 per Rs. One Hundred from 11th August, 2023 to 31st March, 2024.

PRODUCTION OVERVIEW

India has a long history of textile manufacturing, which has developed over centuries. It was one of the global leaders in textile manufacturing before the industrial revolution. While its capacity declined during the British rule, it was still a prominent contributor to the Indian economy, it is one of the largest employment generators since the pre-independence era, providing jobs to millions in rural and urban areas. For unskilled labour in remote regions, it is a prominent source of income.

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 Indian textile manufacturing industry is a significant market, contributing to India's growth story. Following are some important data on the sector:

- India is the World's second-largest producer of textile garments.
- It is also the sixth-largest exporter of textiles spanning apparel, home and technical products. India has a 4% share of the global trade in textiles and apparel
- The textiles and apparel industry contribute 2.3% to the Country's GDP, 13% to industrial production and 10% to exports.
- The textile industry has around 45 million of workers employed in the textile sector, including 3.5 million handloom workers India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion financial years 2021-22, a 41% increase YoY.
- Total textile exports are expected to reach US\$ 65 billion by financial year 2025-26. The Indian apparel market stood at US\$ 40 billion and is expected to reach US\$ 135 billion by 2025.
- Indian textile and apparel market size is estimated to be US\$ 165 billion in 2022-23 with domestic market contributing 76% and export with rest 24% within the domestic market apparel accounts for 74% share followed by technical textiles with a share of 20%.
- The Rs.10,683 crore (US\$ 1.44 billion) PLI Scheme is expected to be a major boost for the textile manufacturers. The Scheme incentivizes MMF (Man Made Fibre) apparel, MMF fabrics and 10 segments of technical textiles products.

As per Wazir Advisors, the textile and apparel industry has become a vital contributor to the Indian economy over the years with the textile and apparel industry size reaching a value of US\$ 153 billion in 2021. The industry has been growing over the years despite challenges primarily due to strong fundamentals of domestic demand. While exports have struggled to grow in the past going forward there is a huge opportunity for India to increase its export share in the growing global trade. Given the positive outlook in the long term, the Indian textile and apparel industry size is projected to grow at a 10% CAGR to reach US\$ 350 billion by 2030.

The domestic textile and apparel market is currently valued at US\$ 110 billion and by 2030 it is expected to grow at a 9.6% CAGR to reach US\$ 250 billion. Apparel, which accounts for the majority of the market, is expected to grow at a rate of 9.5% CAGR, followed by technical textiles, which is expected to grow at a rate of 10.5% CAGR. Home Textiles, another important constituent of the domestic T&A market, is also expected to grow and reach a substantial value of US\$ 16 billion by 2030 growing at 8.2% CAGR.

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 seven years show the growth pattern of the industry:

Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Textiles	119.40	117.40	117.10	118.40	115.70	91.10	117.80	107.60
Growth (%)		(-)1.68	(-)0.26	1.36	(-)2.50	(-)21.60	29.31	(-)8.70
Wearing Apparel	131.00	151.70	137.50	154.20	154.60	108.40	138.10	127.90
Growth (%)		15.10	(-)10.32	12.15	1.00	(-)29.8	27.40	(-)7.40

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.

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 initiative / 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:

Production Linked Incentive (PLI) Scheme:

The Government has launched the Production Linked Incentive (PLI) Scheme 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 Textiles Industry to achieve size and scale and to become competitive. The Centre approved 64 applications under the Production Linked Incentive Schemes for Textiles with proposed total investment is Rs. 19,798 crore and projected turnover of Rs.1,93,926 crore and a proposed employment of 2,45,362. A total of 12 companies have proposed to set-up projects under the Scheme in Madhya Pradesh.

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.

The phase II of the Scheme has also been announced.

PM Mega Integrated Textiles and Apparel Park (PM-MITRA):

The Ministry of Textiles has launched PM Mega Integrated Textile Regions and Apparel Parks (MITRAs) Scheme in October, 2021 to strengthen the Indian textile industry by way of enabling scale of operations, reduce logistics cost by housing entire value chain at one location, attract investment, generate employment and augment export potential.

The Government announced setting up of seven PM Mitra Mega Textile Parks in various States including one of the Parks in Dhar District of our State- Madhya Pradesh. This Park will provide state of the art infrastructure for the textile sector, attract investment of crore and create lakh of jobs, particularly for women workers. The Park will have plug and play facilities, training centres, logistic, commercial space and health services apart from basic and advanced industry requirements. The Ministry of Textiles will provide financial support in the form of Development Capital Support up to Rs.500 crore for the park. For incentivizing manufacturing units to get set up early in PM MITRA, there is a provision of Rs.300 crore per park, wherein the incentive can be provided to manufacturing units up to 3% of the total sales turnover on first come first serve basis. This is only available to those manufacturing companies, who are not availing Textile PLI scheme benefits and will be available till the funds provided are not exhausted for the PM MITRA Park.

Textile Cluster Development Scheme (TCDS):

Textiles industry in India has development in form of inter dependent clusters. Some of these clusters have not been able to modernize and are not able to keep pace with changing environment and continuing to work with old and obsolete technology and machines. This results in inefficiencies and lower productivity for the workers. To address the above issue, Ministry is implementing Textile Cluster Development Scheme (TCDS) from 2021-22 to 2025-26 with a view to create an integrated workspace and linkages-based ecosystem for existing as well as potential textile units to make them operationally and financial viable.

Integrated Processing Development Scheme (IPDS):

In order to facilitate the textile industry to meet the required environmental standards and to support new Common Effluent Treatment Plants (CETP)/up gradation of CETPs in existing processing clusters as well as new processing parks especially in the Coastal Zones, the Ministry is implementing integrated Processing Development Scheme (IPDS). Based on the experience under the Scheme as well as the challenges faced by the textiles processing sector, the Ministry has decided to continue the said Scheme with some modification. The Scheme has been continued from 2021-22 to 2025-26 to complete ongoing projects.

STATUS OF INDUSTRY:

No official data is available either from office of Textile Commissioner or the Ministry of Textiles from 2017-18 onwards about the scale of the 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.	Rotors		8,42,000 Rotors.
3.	Shuttle Looms	10 Million	45,500 Nos.
4.	Shuttle less Looms	1.6 Million	1,60,000 Nos
5.	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 Mn. Kgs
	Mn. Kgs	%age share	Mn. Kgs.	%age share	
2010-11	3,490	74.05	1,223	25.95	4,713
2011-12	3,126	71.60	1,246	28.40	4,372
2012-13	3,583	73.60	1,285	26.40	4,868
2013-14	3,923	74.09	1,386	25.91	5,309
2014-15	4,055	73.97	1,433	26.03	5,488
2015-16	4,138	73.06	1,527	26.94	5,665
2016-17	4,055	71.66	1,604	28.34	5,659
2017-18	4,064	71.56	1,616	28.44	5,680
2018-19	4,208	71.44	1,682	28.56	5,890
2019-20	3,962	69.95	1,702	30.05	5,664
2020-21	3,625	70.44	1,521	29.56	5,146
2021-22	4,063	69.79	1,759	30.21	5,822
2022-23	3,441	66.36	1,744	33.64	5,185

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 percentage share of fabric production :

	Production in Million Sq .Mtrs				Percentage Share			
	2018-19	2019-20	2020-21	2021-22	2018-19	2019-20	2020-21	2021-22
Cotton	42,204	40,038	36,344		60.23	53.31	51.29	
Blended	11,896	11,964	10,513		16.98	15.93	14.93	
100% Non Cotton	15,970	23,104	23,588		22.79	30.76	33.48	
Total	70,070	75,106	70,445		100.00	100.00	100.00	

GROWTH OF TEXTILE INDUSTRY IN THE STATE:

From the office of Textile Commissioner or the Ministry of Textile, no data is available from 2017-18 onwards. As per information structure of Textile Industry in the State is as under:

Textile Mills :	India	Madhya Pradesh
Units /Mills	2,100	60
Spindles	50 million	2.5 million
Rotors	8,42,000	50,000
Power looms - Units	3,85,596	8,344
Power -looms - Nos.	24,86,419	39,979
Shuttle less Looms 200MS- Nos	1,03,141	4,000
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.

	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%Non Cotton	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 are textile products that have technical performance and functionality as their primary focus. The end usage of these products cater to a wide array of sectors including construction agriculture, aerospace, automotive, health care protective gear, home care, among others.

On the basis of application, the technical textiles market is categorised into Mobiltech, Sportech, indutech, Hometech, Buildtech, Meditech, Clothtech, Agrotech, Packtech, Protech, Geotech and Oekotech.

The global technical textiles market is estimated at US\$ 212 billion in 2022 and is expected to reach US\$ 274 billion by 2027, growing at a CAGR of 5.2 % during 2022-27 backed by increasing global demand for technical textiles across industries and expanding base of new applicative products being developed at a rapid rate.

Indian technical textiles market is the fifth largest in the World and stood at US\$ 21.95 billion in 2021-22, with production accounting to US\$ 19.49 billion and imports accounting to US\$ 2.46 billion. In the past five years, Indian technical textiles market has grown at a rate of 8-10 percent per annum. The Government is endeavouring to accelerate this growth to the level of 15-20 % over the next five years. Globally, the penetration/usage level of technical textiles across different sectors is comparatively stronger than in India. The penetration level of technical textiles in India varied from 5-10 % across different application areas compared to 30-70 % globally in 2021-22.

The segment wise production of Technical textile items in 2019-20 and 2021-22 have been as under:

Value Rs.in Crore

Segment	Production	
	2019-2020	2021-2022
Agrotech	2.244	2.715
Buildtech	4.196	5.263
Clothtech	7.680	8.865
Geotech	1.958	2.819
Hometech	13.231	15.410
Indutech	11.489	14.931
Meditech	5.891	7.677
Mobiltech	7.669	9.780
Packtech	57.614	61.123
Protech	2.850	3.597
Sportech	7.226	8.119
Total	1,22,048	1,40,300

Packtech, Hometech, Indutech and Mibiltech were estimated to be the highest in 2021-22.

The Ministry of Textile issued on 10th April, 2023 the two Quality Control Orders (QCOs) for 31 technical textiles items consisting of 19 Geo Textiles and 12 Protective Textiles including protective clothing for fire-fighters and welders in the first phase. These QCOs for Geo Textiles and Protective Textiles will come into force after 180 days from the date of its publication in the Official Gazette.

Our Members Mills - Pratibha Syntex Ltd, SRF Limited, Mohini Health & Hygiene Private Limited and Industrial Filters & Fabrics Private Limited are working in this segment.

POLICY FOR PROMOTION OF TEXTILE INDUSTRY IN THE STATE:

For Large Industrial Units:

The Industrial Promotion Policy-2014 (as amended) of the State as issued by the Department of Industrial Policy and Investment Promotion continues to be in operation and provides for the following incentives for the Large Industrial undertakings:

1. Investment Promotion Assistance (IPA)–

Large Scale Industrial Unit with investment in Plant and machinery more than Rs. 10.00 crore will be eligible. (P&M means Investment in building and machinery)

- Basic IPA shall vary from 40 to 10% based on formula.
- Basic IPA shall be limited to maximum Rs. 150 crore.

- Unit will have to utilize minimum 40% of their installed capacity for the 1st Year. For subsequent year unit will have to utilize 75% of peak previous year gross supply value.
 - Export unit on export of at least 25% to 75% of their total sale shall be eligible for 1.0 to 1.2 times over and above basic IPA.
 - Based on employment generation by the unit in range of 100 to 2500 unit can get 1.0 to 1.5 times over and above basic IPA.
 - Unit established on priority blocks will be eligible for 1.2 times over and above the basic IPA.
2. Green industrialization subsidy –50% up to a maximum limit of Rs. 1.00 crore capital subsidy for investment made in setting up of ETP/STP.
 3. Private industrial Park with minimum area 10 acre can get the assistance of 15% of the expenditure made on development of industrial park subject to maximum limit of Rs. 5.00 crore.
 4. Infrastructure development subsidy-50% assistance subject to maximum of Rs. 1.00 crore, for each, shall be provided for developing power, road and water infrastructure.
 5. 100% reimbursement subject to maximum limit of Rs. 5 lakh for expenses made on getting patent/IPR registration.
 6. Special textile package (Interest subsidy)-
 - For new unit with an investment of up to Rs. 25.00 crore- 2% interest subsidy for 5 years on term loan taken for TUFS approved P&M subject to ceiling of maximum Rs. 5.00 crore.
 - Standalone textile unit with investment more than Rs. 25.00 crore - 5% interest subsidy for 5 years on term loan taken for TUFS approved P&M.
 - Composite textile unit with investment more than Rs. 25.00 crore - 7% interest subsidy for 5 years on term loan taken for TUFS approved P&M.
 7. Special Package for large Scale Garment Industries:
 - **Investment Promotion Assistance:** A tax delinked investment assistance is offered to large scale industries ranging from 40% to 10% of investment in plant and machinery with an investment ranging from Rs.100 million to Rs.15 billion respectively.
 - a. Impetus on **employment generation** (100-2500 employees): 1.0–1.5 times
 - b. Benefits to **Export oriented units** (25% - 75%): 1.0–1.2 times
 - Garment Units can avail maximum incentives to the tune of 200% of their investment in plant and machinery
 - Interest subsidy of 5% for 7 years on term loan taken for Plant & Machinery approved under Amended Technology Up-gradation funds (ATUFs) scheme of Govt. of India, Ministry of Textiles.
 - Green Industry Subsidy for establishing ETP/STP @ 50% with a maximum limit of Rs. 1.00 crore.
 - Employment Generation Assistance: Assistance of Rs. 5,000 per employee per month for a maximum period of 5 years for new employees from the date of commercial production applicable for 10 years.

Eligibility –

S.No	Duration	Madhya Pradesh domicile employees
1	Within one year from the COD	50%
2	Within three year from the COD	75%
3	Within five year from the COD	90%

- Skill development and training expenses reimbursement assistance of Rs. 13000 per new employee shall be provided for 5 years for MP domicile employees
- 50% discount in the development fee in case of taking lease land in the industrial area
- Reimbursement of Stamp Duty and Registration Fee on execution of land lease documents
- Electricity duty exemption for a period of 7 years from the date of taking new electricity connection
- Concession on Power tariff: Power supply at a fixed rate of Rs. 5 per unit on new electrical connection, for 5 years from the date of commercial production

For MSME Sector:

Madhya Pradesh MSME Vikas Neeti-2021 and Madhya Pradesh MSME ProtsahanYojna- 2021 issued by the Department of Micro Small & Medium Enterprises are applicable from August, 2021. Under these Policies a special package has been announced for:

1. Fiscal Incentive to MSMEs:

- a. Investment up to Rs. 10 crore in P&M:
 - Industrial development subsidy @ 40% to MSMEs
 - Additional concessions @8% for SC/ST/Women
 - Additional incentives @12% for Exporting MSMEs
 - Financial assistance upto Rs5 lakh for quality certifications (UptoRs.25 lakh investment in P&M)
 - Financial Assistance upto Rs. 5 lakh for energy audit expenses
 - Financial assistance upto Rs. 5 lakh for patents/IPR registration
- b. Investment more than Rs. 10 crore&upto Rs.50 crore in P&M :
 - Industrial development subsidy/Investment Promotion assistance: up to 40% of Plant & Machinery and Building
 - Financial assistance upto Rs. 5 lakh for patents/IPR registration

2. Fiscal Incentive for Infrastructure Development:

- Infrastructure Creation (Up to the Industrial Premises):
 - ✓ Investment Up to Rs. 10 crore in P&M : Max Rs. 25 lakh
 - ✓ Investment more than Rs. 10 crore & upto Rs. 50 crore in P&M: Max Rs. 3 crore
- Assistance for ETP set up :
 - ✓ Investment Up to Rs. 10 crore in P&M : Maximum Rs. 25 lakh
 - ✓ Investment more than Rs. 10 crore & upto Rs. 50 crore in P&M : Maximum ₹1 crore
- Financial assistance up to Rs. 250 lakh for developing Industrial Area (less than 10 Acres) in private sector
- Financial assistance up to Rs. 500 lakh for developing Industrial Area (10 Acres or more) in private sector and for developing Industrial Area for Power loom, Apparel sectors.

3. Additional Concessions for Specific Sectors (Investment up to Rs. 10 crore in P&M):

Power Loom Sector

- Subsidy @25% for upgradation of power loom.
- Electricity Concession @ Rs. 1.50 per unit for 20HP and @ Rs. 1.25 per unit for > 20HP and up to 150HP

Apparel Sector

- Salary grant @ Rs. 2500 p.m. per person to apparel units (maximum Rs. 5 Lakhs per year for 5 years)

4. Special Package for Specific Sectors (Investment more than Rs. 10 crore & up to Rs. 50 crore in P&M)

Textile Sector:

Interest subsidy : Term loan for P&M (ATUFS)

- Investment Upto Rs. 25 crore in fixed assets : @.2% for 5 years, maximum of Rs. 5 crore
- Investment more than Rs. 25 crore in fixed assets : @ 5% for 5 years
- New Composite Units (Investment more than Rs. 25 crore in fixed assets) : @ 7 % for 5 years

Apparel Sector:

- Interest Subsidy @5% on term loan for P&M (ATUFS) for 7 years
- Exemption on Electricity Duty for 7 years and Power Tariff fixed Rs. 5 per unit for 5 years
- Employment Generation Subsidy: Max. Rs. 5000 p.m. for every new employee for 5 years

EXPORTS & IMPORTS

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 2021, China had 37% share, followed by Bangladesh, Germany and India 5% each etc. India share in Cotton spun yarn exports was 29%, in Filament yarn 6%, in Man-made spun yarn 8%, in Home Textiles 12% and in Woven Fabrics 5%.

FOREIGN TRADE POLICY 2015-20:

The Foreign Trade Policy 2015-20 which was unveiled by the Minister of Commerce & Industry on 1st April, 2015 was extended till 31st March, 2023.

FOREIGN TRADE POLICY 2023:

Foreign Trade Policy, 2023 is said to be based on four pillars, namely:

- Shift from incentives to remission.
- Export promotion through collaboration- Exporters, States, Districts, Indian Mission.
- Ease of doing business, reduction in transaction cost and digitisation ;
- Support to emerging areas such as E-Commerce, developing Districts as Export Hand streamlining SCOMET policy.

Some of the key highlights of the Policy include:

- Continuation of Advance Authorisations/ EPCG/EOU/DFIA Schemes.
- Reduction on application fees for MSMEs under the Advance Authorisation/EPCG Scheme.
- Online approval without physical interference for the issue of Advance Authorisation, EPCG, revalidation of authorisations and extension of export obligation period, which will reduce processing time to one day, from earlier three to seven days.
- Revamp of the 'e-Certificate of Origin' platform to provide for self-certification.
- Paperless filing of export obligation discharge applications.
- Extending the benefit of the self- ratification scheme for fixation of norms to two-star and above status holders.
- Rationalisation of Status Holder Thresholds to enable more exporter to achieve such status.

The Policy has also taken an effective step towards internationalising the Indian Rupee (INR) by facilitating International Trade settlement in INR and extending policy benefits for payments realised in INR through special Vostro accounts, set-up as per the Reserve Bank of India (RBI). Further, the Policy seeks to create a suitable policy framework to transform the country into a merchandise trade hub and accordingly, provides that the merchandise trade of shipment of goods from one foreign country to another without touching Indian ports, involving Indian intermediary is allowed for all goods even if the same are restricted otherwise except for goods/items in the SCOMET list, but subject to compliance with the Reserve Bank of India guidelines. This will enable certain places in India, like GIFT city, etc. to be significant hubs for merchandise trade, like Dubai, Singapore, and Hong Kong. This will also, in turn, boost the manufacturing sector in India.

The Policy envisions to boost manufacturing in India and also focuses on the prevailing requirements of the Indian market by providing Prime Minister Mega Integrated Textile Region and Apparel Parks (PM MITRA) Scheme to claim benefits under the Common Service Provider Scheme of EPCG.

Most importantly, the introduction of "One- Time Amnesty Scheme" is a huge relief to exporters, who are unable to fulfil their export obligations against the EPCG and Advance Authorisations. It is expected that all pending cases of default in the export obligation under authorisations can be regularised by the authorisation holder on the payment of all customs duties exempted in proportion to unfulfilled export obligation with ceiling on interest up to 100% of duties exempted. However, no interest would be payable on the portion of Additional Customs Duty and Special Additional Customs Duty. The Amnesty Scheme shall be available for a period extended up to 31st December, 2023.

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

1. 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. A new RoDTEP Schedule (Appendix 4 R) for implementation was introduced 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. Director General of Foreign Trade has added 18 tariff lines following under HS code 5208 vide Notification dated 25th March, 2023. The schedule has been realigned with effect from 1st May, 2023 consequent to amendments in Finance Act, 2023.

The Ministry of Commerce & Industry issued a notification to amend the Schedule of the Remission of Duties or Taxes on Export Products (RoDTEP) Scheme with effect from 1st May, 2023. It added 149 tariff lines at the 8-digit level and deleted 52 tariff lines from the RoDTEP schedule. The amendment affects cotton and some other textile and apparel (T&A) items. The amendment includes five tariff lines under HSN Code 5201 (cotton fibre). Tariff line 52010021 (for staple length not exceeding 20.0 mm) will have RoDTEP rates of 3.1 %, with a value cap of ₹1.6 per kg. Similarly, tariff lines 52010022, 52010023, 52010024, and 52010025 will have the same rates and value cap, with each tariff line representing staple fibre for different lengths. Tariff lines 54021100 (of Aramids), 54025900, and 57023990 will have RoDTEP rates of 1 % of the FOB value of the export consignment. The tariff lines 52010020, 54021110 and 54025990 related to the textile and apparel sector have been deleted from the schedule. The scheme has been extended till 30th June, 2024.

2. 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 under RoSCTL shall be eligible to avail the benefits, if any, under RoDTEP along with other products.

IMPORTANT NOTIFICATIONS:

Several Notifications/ Circulars were issued during the year. Some of the important ones are:

- Director General of Foreign Trade (D.G.F.T.) Trade Notice dated 29th April, 2022 - the Preferential Certificate of Origin (CoO) for exports to UAE under India-UAE CECPA shall be issued from CoO e-platform with effect from 1st May, 2022.
- The Director General of Foreign Trade Notification dated 5th August, 2022- Status Certificates issued under Foreign Trade Policy 2015-2020 shall be valid for a period of 5 years from the date on which application for recognition was filed or 30th September, 2022 only, whichever is later.

EXPORT OF TEXTILES:

India has a share of around 5% of global textile and apparel trade. Gradually country has to 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:

Value in US\$ Million

Year	Export of all Commodities	Export of Textiles & Clothing (includes jute, coir and handicrafts)	% Share textile clothing 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	11.8
2020-21	2,91,808	30,904	10.6
2021-22	4,22,004	45,004	10.66
2022-23	4,47,460	37,046	8.28

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.

EXPORTS OF TEXTILES & APPAREL:

The following information about Export during the year 2016-17 to 2022-23 could be collected from DGCI&S:

Value in US \$Million

Segments	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Ready Made Garments	17,368	16,707	16,138	15,488	12,272	16,015	16,192
Cotton Textiles	10,529	11,212	12,405	10,263	11,128	17,166	11,083
Man - made Textiles	5,151	5,413	5,551	5,324	4,180	6,294	5,411
Woolen Textiles	175	187	222	181	109	166	205
Silk Product	76	69	76	72	76	109	94
Handloom Products	360	356	344	319	323	269	182
Carpets	1,490	1,430	1,482	1,373	1,491	1,790	1,366
Jute Products	321	350	340	357	397	537	462
Total Textiles & Apparel	35,472	35,723	36,559	33,379	29,877	42,347	34,995
Handicrafts	1,927	1,823	1,838	1,798	1,708	2,088	1,689
Total T&A (including Handicrafts)	37,398	37,546	38,397	35,177	31,585	44,435	36,684

Value in US\$ Billion

Items	2016-17	2017-18	2018-2019	2019-20	2020-21	2021-22	2022-23	CAGR %
Fibre	2.5	2.8	3.0	1.9	2.7	4.01	1.57	-61
Filament	1.1	1.2	1.3	1.2	0.8	1.48	0.98	-34
Yarn	4.1	4.3	4.8	3.5	3.4	6.48	3.60	-44
Fabric	4.5	4.6	4.8	5.1	4.1	5.90	5.31	-10
Apparel	17.4	16.7	16.2	15.5	12.3	16.02	16.20	1
Home Textiles	5.1	5.2	5.5	5.3	5.7	7.14	5.84	-18
Others	1.7	1.9	2.0	1.8	1.9	2.41	2.16	-10
Total T&A	36.5	36.7	37.5	34.2	30.9	43.44	35.66	-18
Total Merchandise Export	275.9	303.5	330.1	313.4	291.8	422.04	447.46	
Shares of T&A	13.2%	12.1%	11.4%	10.9%	10.6%	10.3%	8.00%	

EXPORT OF COTTON TEXTILES:

In the Financial Year 2022-23, export of cotton textiles decreased by 30.61% to a level of US\$ 9.45 billion from US\$ 13.62. billion in the previous year. The item-wise details and their share in exports are given below:

Commodity	Value US \$ Billion					Percentage Share				
	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Yarn	3.90	2.77	2.90	5.52	2.77	34	27	33	40	29
Fabrics	2.42	2.48	2.00	3.11	2.52	21	24	22	23	27
Made-ups	5.25	4.94	4.00	4.99	4.16	45	49	45	37	44
Total	11.57	10.19	8.90	13.62	9.45	100	100	100	100	100

Source: TEXPROCIL

The export of cotton textiles inclusive of cotton fibre, their value in US\$ and growth percentages during the year 2017-18 to 2022-23 have been as under:

Year	Cotton Fibre		Total Cotton Textiles		Total Cotton Textiles (incl. Raw Cotton)	
	Billion		Billion		Billion	
	USD	% Growth	USD	% Growth	USD	% Growth
2016-17	1.63	-	10.70	-	12.33	-
2017-18	1.89	15.95	10.71	0.09	12.60	2.19
2018-19	2.10	11.11	11.56	7.94	13.66	8.41
2019-20	1.05	-50.00	8.73	-25.48	9.78	28.40
2020-21	1.89	80.00	8.78	-0.57	10.67	9.10
2021-22	2.82	49.20	13.62	56.04	16.52	54.83
2022-23	0.78	-72.25	9.45	-31.62	10.23	-37.69

Source: TEXPROCIL

COUNTRYWISE EXPORT OF COTTON TEXTILES:

Top ten importers of cotton textiles from India are as under:

Country	Million US\$				%Share		% Change
	2020-21	2021-22	2022-23	2020-21	2021-22	2022-23	2022-2023
World	8,768.25	13,607.18	9,452.57	100.00	100.00	100.00	-30.53
U.S.A.	2,604.54	3,311.98	2,438.32	29.70	24.34	25.80	-26.38
Bangladesh	1,018.68	3,015.92	1,558.92	11.62	22.16	16.49	-48.31
Sri Lanka	318.83	479.66	425.01	3.64	3.53	4.50	-11.39
Germany	219.72	264.45	259.88	2.51	1.94	2.75	-1.73
China	694.04	799.84	233.34	7.92	5.88	2.47	-70.83
United Kingdom	198.70	243.84	216.76	2.27	1.79	2.29	-11.11
Egypt	145.13	281.90	205.94	1.66	2.07	2.18	-26.94
UAE	189.08	215.82	201.25	2.16	1.59	2.13	-6.75
Senegal	95.61	159.79	180.64	1.09	1.17	1.91	13.05
Italy	97.63	168.59	177.53	1.11	1.24	1.88	5.30
S. Korea	204.79	297.80	169.79	2.34	2.19	1.80	-42.98
Australia	121.99	135.79	144.41	1.39	1.00	4.53	6.35
Canada	113.96	162.16	137.16	1.30	1.19	1.45	-15.42
France	104.57	147.48	135.95	1.19	1.08	1.44	-7.82
Portugal	131.58	267.56	132.07	1.50	1.97	1.40	-50.64
Total of Top15	6258.84	9952.59	6616.97	71.38	73.14	70.00	-33.52

Source: TEXPROCIL

EXPORT OF MAN-MADE FIBRE (MMF) TEXTILES:

In the Financial Year 2022-23, export of MMF Textiles decreased by 13.97 % to level of US \$ 5785.60 million from US\$ 6829.74 million in the previous year. The item wise details and their share in exports are given below

Commodity	Value US \$ Million					Percentage				
	2018-19	2019-20	2020-21	2021-22	2022-23	2018-19	2019-20	2020-21	2021-22	2022-23
Yarn	2,035.89	1,769.87	1,346.75	2339.48	1,687.48	33.16	30.00	29.00	34.25	29.17
Fabrics	1,959.41	2,158.25	1,544.46	2,075.41	2,099.59	31.92	36.58	33.25	30.39	36.29
Made-ups	1,572.79	1,469.35	1,380.69	1,735.26	1,537.36	25.62	24.90	29.72	25.40	26.57
Fibre	570.80	503.02	373.25	679.59	461.17	9.30	8.52	8.03	9.96	7.97
Total	6,138.89	5,900.49	4,645.15	6,829.74	5,785.60	100.00	100.00	100.00	100.00	100.00

Source: SRTEPC

The export of Manmade Textiles inclusive of MM fibre, their value in US\$ and growth percentage during the year 2017-18 to 2022-23 has been as under :

Year	M.M.FIBRE		MMF TEXTILES		Total	
	US\$ Mn.	Growth	US\$ Mn.	% Growth	US\$ Mn.	% Growth
2016-17	597.12	-	5,256.37	-	5,853.49	-
2017-18	586.81	-1.73.	5,437.27	3.44	6,024.08	2.91
2018-19	570.80	-2.73	5,568.09	2.40	6,138.89	1.90
2019-20	503.02	-11.87	5,397.47	-3.07	5,900.49	-3.89
2020-21	373.25	-25.80	4,271.19	-20.88	4,645.15	-21.28
2021-22	679.59	+82.07	6,150.15	+43.99	6,829.74	+47.03
2022-23	461.17	-32.12	5,324.43	-13.42	5,785.60	-15.29

COUNTRYWISE EXPORT OF MMF TEXTILES:

Among the top 10 export markets, exports of MMF Textiles to UAE have shown a growth of 5% during 2022 -23 as compared to 2021-22.

Value in US \$ Million.

Country	2021 - 22	2022 -23	Net Change	% Growth
USA	982.1	876.4	-105.7	-11%-
Turkey	656.8	553.8	-103.0	-16%
UAE	386.4	404.0	17.6	5%
Bangladesh	447.7	377.2	-70.5	-16%
Sri Lanka	255.7	209.0	-46.7	-18%
Italy	176.1	170.5	-5.6	-3%
Brazil	291.9	169.8	-122.1	-3%
UK	200.6	165.7	-34.9	-3%
Germany	169.9	142.5	-27.4	-16%
Spain	165.2	126.9	-38.3	-23%
RoW	3,097.4	2,589.8	-507.6	-16%
Total	6,829.7	5,785.6	-1,044.1	-15%

Source: SRTEPC

- USA was the leading market for Indian MMF textiles during 2022 - 23 with 15% share in total exports followed by Turkey 10%, UAE 7%, and Bangladesh 7%.
- Other major markets during 2022-23 were Sri Lanka 4%, Brazil, Italy, UK 3% each and Germany, Spain 2% each.

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	17,382.80	-
2017-18	16,718.90	-3.80
2018-19	16,156.20	-3.40
2019-20	15,509.40	-4.00
2020-21	12,289.70	-20.80
2021-22	16,019.20	+30.30
2022-23	16,198.10	+1.10

Source:AEPC

EXPORTS OF TECHNICAL TEXTILES:

Value in US \$ Million

Category	2016-17	2017-18	2018-19	2019-20	2020-21	2011-22	2022-23	Growth
Packtech	555.54	693.37	809.23	740.32	784.45	1,258.40	1,042.70	-17%
Indutech	248.04	315.71	370.54	441.74	522.72	911.30	743.60	-18%
Mobiltech	146.82	208.68	234.70	212.48	187.22	156.80	182.90	17%
Clothtech	122.58	133.10	158.06	141.40	226.56	59.30	63.70	7%
Homotech	127.85	130.55	115.56	130.90	125.64	92.80	76.60	-17%
Meditech	46.60	90.55	94.23	111.53	119.72	190.50	199.30	5%
Agrotech	78.35	71.54	85.04	85.59	89.18	68.50	76.60	12%
Buildtech	7.83	6.04	11.28	14.61	17.90	5.50	5.20	-6%
Protech	16.96	28.56	47.36	45.97	39.48	63.30	77.60	23%
Geotech	20.13	24.18	34.90	31.33	27.51	8.30	9.00	9%
Sportech	82.58	91.52	87.88	100.77	73.40	28.50	28.60	0%
Specialty Fibre	0.47	0.44	0.76	1.05	1.58	0.81	-	-
Grand Total	1,453.75	1,794.44	2,049.54	2,057.69	2,215.36	2,843.20	2,505.90	-12%

Source: SRTEPC

- Protech was the fastest growing segment during 2022 - 23 as compared to 2021 - 22, with a growth rate of 23%.
- Packtech and Indutech are the largest exported products with an exports value of US \$ 960.3 Mn. and US\$ 670 Mn. during 2022 - 23, respectively. However, the Packtech and Indutech segment's exports have shown a decline of 17% and 18%, respectively.
- Packtech was the largest exported segment representing 42% of the exports share during 2022 - 23, followed by Indutech (30%), Meditech (8%) and Mobiltech (7%).

EXPORTS FROM STATE:

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	2022-23
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

As per information provided by the State Government at Global Investors Summit- 2023, Textile Exports from the State were Rs. 15,600 crore in 2021-22, which consisted of Processed cotton 55%, Made-up textile articles 28%, Man Made Textiles 7%, Apparel & Clothing Accessories 3% and others 7%.

As per Economic Survey 2022-23 of the State, the exports from the State in the year 2021-22 were as under:

- Cotton & Cotton Yarn Rs. 8,693 crore
- Readymade Garments Rs. 4,495 crore

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	102,019.36	16,454.75	29,865.18	31,435.00	179,774.29
2011-12	167,583.68	20,094.89	23,938.25	39,689.00	254,305.82
2012-13	196,772.92	60,327.71	22,497.01	44,223.00	323,820.64
2013-14	232,911.25	63,160.46	34,170.33	44,461.00	374,703.04
2014-15	194,939.00	41,545.00	44,059.33	45,555.00	326,098.00
2015-16	245,134.00	38,309.00	66,594.00	42,083.00	392,120.00
2016-17	202,248.00	39,665.00	62,825.00	56,536.00	361,274.00
2017-18	216,921.00	64,875.00	62,811.00	48,370.00	392,977.00
2018-19	201,394.00	33,886.00	55,415.00	NA	290,696.00
2019-20	NA	NA	NA	50,951.00	50,951.00
2020-21 (10 Mills)	202,184.61	71,269.21	21,003.88	31,170.00	325,627.70
2021-22 (13 Mills)	415,561.58	102,742.65	27,752.20	69,054.00	615,110.43
2022-23 (11 Mills)	326,036.87	93,117.45	37,306.21	46,000.00	502,460.53

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 27.83% in 2022-23.

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

Value in US \$ Million

Commodity	2016-17	2017-18	2018-2019	2019-20	2020-21	2021-22	2022-23
Ready Made Garments	596	773	1,106	1,144	881	1,265	1,755
Cotton Textile	2,083	2,448	2,066	2,759	1,527	2,143	3,404
Man - made Textiles	1,973	2,265	2,670	2,682	2,334	3,433	3,783
Woolen Textiles	327	372	425	332	200	320	358
Silk Product	210	251	202	210	99	148	271
Handloom Products	5	11	15	10	6	2	1
Carpets	71	94	101	118	72	100	36
Jute Products	244	181	170	242	176	248	294
Total Textiles & Apparel	5,509	6,394	6,756	7,498	5,296	7,660	9,902
Handicrafts	784	923	794	764	577	534	579
Total T&A (including Handicrafts)	6,293	7,318	7,550	8,262	5,873	8,199	10,481

Source: DGCI&S

TAXATION

CENTRAL TAXES :

PRE-BUDGET MEMORANDUM 2023-24:

Pre- Budget Memorandum 2023-24 was submitted by the Confederation of Indian Textile Industry (CITI) to the Union Textile Minister. Some of the important points included in the presentation were as under:

1. Removal of Import Duty from Cotton and Cotton Waste.
2. Uniform Import Duty of 5% for next three years on textile machinery not manufactured in India.
3. Increase threshold of Rs. 1,000/- for Ready-made Garments to Rs. 2,500/- under 5% Goods & Services Tax bracket.
4. Goods & Services Tax (GST) Rates on PTA and MEG, which are raw materials for Polyester Fibre be reduced to 12% (from 18%)
5. Refund of ITC against service inputs.
6. Remove ITC-04 for Job Work.
7. Include fuel used for generation of electricity under GST.
8. Lower GST from 12% to 5% on services rendered by Common Effluent Treatment Plants.
9. Refund accumulated ITC of Capital goods and services.
10. Allocate sufficient funds of TUFs to clear backlog.
11. Announce Cotton Price Stabilization Fund Scheme with 5% interest subvention, reducing margin money from 25% to 5% and increase credit limit from 3 months to 9 months.

UNION BUDGET PROPOSALS FOR 2023-24 :

The Hon'ble Union Minister of Finance and Corporate Affairs, Smt. Nirmala Sitharama presented the digital Union Budget for 2023-24 on 1st February, 2023. Major highlight of the Budget relating to Textile Industry are as under:

1. To enhance productivity of ELS cotton, a cluster based and value chain approach will be adopted through Public Private Partnership mode.
2. New tariff lines are proposed to be created for many products including cotton.
3. Customs duty on Naphtha increased from 1% to 2.5%.
4. Budget outlay for RoDTEP scheme increased from Rs. 13,699 crore in 2022-23 to Rs. 15,069 crore in 2023-24.
5. Budget outlay for RoSCTL scheme increased from Rs. 7,641 crore to 2022-23 to Rs. 8,405 crore in 2023-24.
6. Budget outlay for Amended Technology Up-gradation Fund Scheme (ATUFS) increased from Rs. 650 crore in 2022-23 to Rs. 900 crore in 2023-24.
7. Budget outlay for Interest Subvention increased from Rs. 2,376 crore in 2022-23 to Rs. 2,932 crore in 2023-24.
8. Imported Textile Machinery to cost more - Custom Duty increased from 5% to 7.5%.
9. Expanded corpus under the revamped Credit Guarantee Scheme to enable additional collateral free guaranteed credit of Rs. 2 lakhs crore for MSMEs.
10. For encouraging behavioral change, a Green Credit Programme will be notified under the Environment (Protection) Act. This will incentivize environmentally sustainable and responsive actions by companies, individuals and local bodies, and help mobilize additional resources for such activities.
11. The digital ecosystem for skilling will be further expanded with the launch of unified Skill India Digital platform for:
 - Enabling demand-based formal skilling
 - Linking with employers including MSMEs, and
 - Facilitating access to entrepreneurship schemes.
12. Filing of returns/statements restricted to a maximum period of three years from the due date of filing of the relevant return/statement.
13. Input tax credit shall not be available in respect of goods or services, or both received by a taxable person, which are used or intended to be used for activities relating to his obligations under corporate social responsibility referred to in section 135 of the Companies Act, 2013.

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 known. Some of the important notifications/circulars issued during the year are given below:

- The Department of Consumer Affairs issued a Notification on 28th March, 2022, which came in to force from 1st October, 2022. With certain amendments, a new Clause 6 has been added in the Second Schedule of Legal Metrology (Packaged Commodities) Rules, 2011, which decriminalizes the offences related to Declaration.
- As per Public Notice dated 13th April, 2022 issued by the Commerce and Industry Ministry, requests for export obligation extension should be made within six months of expiry instead of the earlier prescribed period of 90 days. However, applications made after six months and up to six years are subject to a late fee of Rs 10,000 per authorization. The Government has relaxed certain procedures under the Export Promotion Capital Goods (EPCG) Scheme that allows duty free capital goods imports subject to an export obligation. Exporters have to export finished goods worth six times of the actual duty saved in value terms in six years. The changes also include annual reporting of Export Obligation (EO) by 30th June every year instead of 30th April with specified information but any delay would be subject to a late fee of Rs. 500. Certain provisions of chapter 5 related to the EPCG scheme of the Handbook of procedures (2015-20) are amended for EPCG authorizations issued under Foreign Trade Policy (2015-20)".
- The Supreme Court on 19th May, 2022 struck down the Integrated Goods and Services Tax (IGST) levy on ocean freight, upholding the Gujarat High Court decision that had gone in favour of taxpayers.
- The Central Board of Indirect Taxes & Customs (CBIC) has put out a procedure Relating to sanction, post-audit and review of refund claims for taxpayers. It clarified that post-audit to be conducted only for refund claims amounting to Rs one lakh and above, till further instructions and while passing refund orders, officers are required to upload a detailed speaking order along with refund sanction order in the GST form.
- The Hon'ble Calcutta High Court on 5th May, 2022 in W.P.A. 7231 of 2022 in the matter of Sanchita Kundu & Another Vs. The Assistant Commissioner of State Tax, Bureau of Investigation, South Bengal & Others relying on the decisions of various High Courts and Supreme Court held that the input tax credit shall be allowed in case of genuine transactions made before the cancellation of GST registration. ITC cannot be denied on genuine transactions with suppliers, whose GST registration was cancelled after transaction.
- The Central Board of Indirect Taxes & Customs on 5th July, 2022 notified the following amendments in the GST:
 - Exempted taxpayers having AATO up to Rs. 2 crore from the requirement of furnishing annual GST return (GSTR-9) for financial year 2021-22.
 - Extended due date of furnishing FORM GST CMP-08 for the quarter ending June, 2022 till 31st July, 2022
 - Extended the waiver of late fee for delay in filing Form GSTR-4 for financial year 2021-22 till 28th day of July, 2022.
 - Extended dates of specified compliances related to recovery of tax not paid or short paid or of input tax credit wrongly availed or utilized, recovery of erroneous refund and computation of period of limitation for filing refund application in exercise of powers under section 168A of CGST
 - Amended following CGST Rules-
 - a. Rule 21A - Suspension of registration,
 - b. Rule 43 - Manner of determination of input tax credit in respect of capital goods and reversal thereof in certain cases,
 - c. Rule 46 - Tax Invoice,
 - d. Rule 86 - Electronic Credit Ledger,
 - e. Rule 87 - Electronic Cash Ledger,
 - f. Rule 89 - Application for refund of tax, interest, penalty, fees or any other amount.
 - g. Rule 96 - Refund of integrated tax paid on goods or services exported out of India.
 - Amended CGST Forms - Form GSTR 3B, FORM GSTR-9, FORM GSTR-9C
 - Inserted New Rule 88B -Manner of calculating interest on delayed payment of tax,
 - Omitted Rule 95A- Rule 95A which relates to Refund of taxes to the retail outlets established in departure area of an international Airport beyond immigration counters making tax free supply to an

outgoing international tourist, It shall be deemed to have been omitted with effect from the 1st July, 2019.

- The Central Board of Indirect Taxes & Customs issued Standard Operating Procedure on 17th August, 2022 informing its Filed Officers that in the first instance summons under Section 70 of the Goods & Services Tax Act should not be issued to the senior management of any company. Instructions list Chairperson, Managing Director, Chief Executive Officer, Chief Financial Officer and other similar high ranking officials as senior management. They should be summoned only when there are clear indications of their involvement in the decision making process that has resulted in loss of revenue.
- The Ministry of Consumer Affairs brought amendments in the Legal Metrology (Packaged Commodities) Rules 2011 on 25th August, 2022. In respect of garments and hosiery sold loose or open at the point of sale, now only four key information relevant to consumers are to be given. They include maximum retail price; sizes with globally recognizable indicators; details in metric notation in terms of centimeters and meters; and consumer care email ID and phone number. Name and address of the manufacturer, marketer, brand owner and importer with "country of origin or manufacture" in case of imported products are also required to be given.
- As per the Directorate General of Foreign Trade Notification dated 5th August, 2022 Status Certificates issued under Foreign Trade Policy 2015-2020 shall be valid for a period of 5 years from the date on which application for recognition was filed or 30th September, 2022 only, whichever is later
- The Director General of Foreign Trade vide Trade Notice dated 1st August, 2022 extended the date for Mandatory Electronic Filing of Non-Preferential Certificate of Origin (NP CoO) through the Common Digital Platform to 31st March, 2023.
- The Ministry of Finance Department of Revenue vide its Circular dated 3rd August, 2022 clarified regarding applicable G S T Rates and Exemption on certain Services. The Service by way of storage or warehousing of cotton in ginned and/or baled form is now taxable with effect from 18th July, 2022.
- The Central Board of Indirect Taxes and Customs issued detailed Guidelines on 9th September, 2022 for filing/revising TRAN-1/TRAN-2 in term of Order dated 22nd July, 2022 and 2nd September, 2022 of Hon'ble Supreme Court in the case of Union of India V/s Filco Trade Centre Private Limited.
- The Central Board of Indirect Taxes & Customs vide its Notification dated 15th September, 2022 extended the validity of the Duty Credit available in Electronic Duty Credit Ledger, which is issued for payment of the duties of customs up to two years from the earlier one year. The validity period of scripts issued under RoDTEP/RoSCTL Schemes has been increased from one year to two years from the date of their generation vide Circular dated 26th September, 2022.
- On 27th October, 2022 the Central Board of Direct Taxes issued a Notification extending time for filing Form 26 Q for the second quarter of financial year 2022-23 till 30th November, 2022.
- The Central Board of Indirect Taxes & Customs issued Notification No. 122/2022-Customs (NT) dated 22nd December, 2022 regarding Customs Tariff (Determination of Origin of Goods under the India-Australia Economic Cooperation and Trade Agreement) Rules, 2022, which comes in to force from 29th December, 2022.
- The Central Board of Indirect Taxes & Customs issued Customs (Assistance in Value Declaration of Identified Imported Goods) Rules, 2023, on 11th January, 2023 aimed at addressing the undervaluation of specified imported goods. The Rules will be effective from 11th February, 2023. As per the rules, two Committees will be constituted - a Screening Committee for a preliminary examination of 'identified goods' and an Evaluation Committee for a detailed examination
- On 12th January, 2023, Director General of Foreign Trade issued Trade Notice regarding withdrawal of the Export Obligation Discharge Certificate (EODC) Online Monitoring System for Advance/EPCG Authorizations with immediate effect.
- On 11th January, 2023 the Central Board of Indirect Taxes & Customs issued a Circular regarding Faceless Assessment for Standard Examination Orders (SEO) via Risk Management System (RMS) and the Phased Implementation of Standardized Examination Orders through RMS. which is effective from 1st February, 2023.
- The Supreme Court on 28th April, 2023 upheld the validity of mandatory fulfillment of a "pre-import condition" that allowed exporters to claim credit of raw materials bought before actually exporting the product. It set aside the Gujarat High Court's ruling that held that such fulfillment in order to claim exemption

of integrated Goods and Services Tax (IGST) and GST compensation cess on input imported for the production of goods to be exported on the strength of an Advance Authorization (AA) was arbitrary and unreasonable.

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 MPCGST between Centre and the State. In inter-state trade this tax is levied as I GST. The present rates of GST applicable to Textile Sector are as under:

Product	Rate in %
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:

- The State Government in its Budget for 2022-23 presented in the State Assembly on 9th March, 2022 announced relief in levying of Stamp Duty ranging from 0.25% to 0.75% on renewal of Bank Guarantee and transfer of loan from one Bank to another. Now the Government will take charge of the Stamp Duty by fixing a certain amount in place of percentages.
- On 21st October, 2022, the MSME Department of the State has amended MP MSME Industrial Land & Building Management Rules, 2021 permitting sale/transfer of surplus land of working/closed units subject to certain conditions with the approval of General Manager, District Trade & Industries Centre.

MAN POWER

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

The Rules under these Codes are yet to be finalised by State/Union Territories and as such there is delay in implementation of these Codes.

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

The Union Minister of State for Textiles have taken a number of steps 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 man power requirement across textile sector. The Scheme will be operational till March, 2024. During last three years 1, 83, 844 beneficiaries have been trained under the Scheme (including 3,691 in our the State).
- Amended Technology Up-gradation Fund Scheme (ATUFS): In order to promote case of Doing Business in the Country to achieve the vision of generating employment and promoting exports. The Scheme has been discontinued from 31st 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 flagships Missions.
- Production Linked Incentive (PLI) Scheme: For Textiles to Promote products of MMF apparel, MMF Fabrics and Products of Technical Textiles in the Country.
- 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. One PM MITRA Park at Bhensola in Dhar District of the State has been sanctioned.
- Scheme for Integrated Textile Parks (SITP): Support for creation of world-class infrastructure facilities for setting up of textile units.

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 notified in 2007 continuous 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 up to 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 to 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 pay/wages to the persons employed by any factory or their Contractor shall be paid 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 Centre's in Madhya Pradesh during the year 2022 - 23 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, 2022	127.7	123.5	123.8	127.7	133.1
May	129.0	124.4	124.4	128.7	132.7
June	129.2	123.8	123.8	127.3	132.8
July	129.9	123.4	124.8	128.6	134.4
August	130.2	123.9	126.0	129.2	134.4
September	131.3	126.1	126.9	128.6	132.1
October	132.5	126.7	127.2	129.1	132.9
November	132.5	125.4	127.6	132.1	132.9
December	132.3	124.4	126.8	130.4	132.6
January, 2023	132.8	125.3	127.8	130.5	138.1
February	132.7	125.4	128.2	130.3	133.2
March	133.3	126.9	129.3	130.4	133.6

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 various categories of workmen w.e.f. 1st October, 2014 onwards with half yearly increase in Dearness Allowance are as under :

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.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1stOctober,2014	9735	374	8435	324	7057	271	5939	228
1stApril, 2015	10035	386	8735	336	7357	283	6239	240
1st June, 2015	10035	386	8735	336	7357	283	6500	250
1stOctober,2015	10110	389	8810	339	7432	286	6575	253
1stApril, 2016	10385	399	9085	349	7707	296	6850	263
1stOctober, 2016	10485	403	9185	353	807	00	6950	267
1stApril, 2017	10660	410	9360	360	7982	307	7125	274
1st October,2017	10660	410	9360	360	7982	307	7125	274
1stApril, 2018	10860	418	9560	368	8182	315	7325	282
1st October,2018	10910	420	9610	370	8232	317	7375	284
1stApril, 2019	11235	432	9935	382	8557	329	7700	296
1st October,2019	11485	442	10185	392	8807	339	7950	306
1stApril, 2020	11810	454	10510	404	9132	351	8275	318
1st October,2020	11935	459	10635	409	9257	356	8400	323
1stApril, 2021	12235	471	10935	421	9557	368	8700	335
1stOctober,2021	12335	474	11035	424	9657	371	8800	338
1stApril,2022	12660	487	11360	437	9982	384	9125	351
1st October, 2022	12860	495	11560	445	10182	392	9325	359
1stApril,2023	13185	507	11885	457	10507	404	9650	371
1st October, 2023	13360	514	12060	464	10682	411	9825	378

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 underwent the following changes during the year 2022-23:

Quarter	For Indore, Ujjain, Nagda Ratlam Sanawad, Khandwa and Burhanpur Centres	For Bhopal Centre Rs.
April-June 2022	Rs. (-) 16.66	(+) 51.96
July-September ,2022	(+) 390.57	(+) 162.66
October-December, 2022	(+) 40.49	(+) 185.44
January-March , 2023	(+) 73.82	(+) 126.88
April-June,2023	(+) 26.20	(+) 120.38
July-September, 2023	(+) 133.37	(+) 191.94

PAYMENT OF BONUS ACT, 1965:

The Payment of Bonus Act, 1965 was last amended on 1st January, 2016 Eligibility limit of salary or wage for payment of bonus is Rs. 21,000 per month (section 2 (13)). Ceiling of salary or wage for calculation of bonus 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:

- Rate of contribution is 12% of pay from 22nd September, 1997, which is payable on maximum ceiling of Rs.15,000 from 1st September, 2014.
- From 1st June, 2018, the rates of Provident Fund Administrative Charges is 0.50% of pay, Minimum Administrative Charges for non-functioning establishments are Rs.75/- per month and for the operational establishment/factories are Rs.500/- per month. For establishments exempted under E.P.F., Inspection Charges @ 0.18% minimum Rs.5.00 is payable in place of Administrative Charges. In case of establishment exempted under EDLI Scheme, Inspection Charges of 0.05% minimum Re.1.00 is payable.
- On 5th April, 2022 the Employees Provident Fund Organization (EPFO) issued Guidelines for calculation and deduction of taxable interest relating to contribution in a Provident Fund Account exceeding specified limit (which is Rs.2.50 lakh for financial year, 2022-23).
- On 27th April, 2022 EPFO advised its Zonal/Regional Offices to ensure the registration and declaration of their contractors on the Employers' portal within a week.
- The Employees Provident Fund Organization issued Clarifications on 18th October, 2022 in respect of Admissibility of Assurance Benefits in lieu of Employees Deposit Linked Insurance (EDLI) Scheme. Assurance benefit is not payable in the case, when the member dies after leaving employment and he/she ceases to be an employee. The benefit is payable even in cases where employee is on leave/ without wages and no contribution is payable by employer but continues to be in rolls/ employment.
- By Notification dated 28th April, 2021 issued by the Ministry of Labour & Employment the amount of maximum benefit under Employment Deposit Linked Insurance has been increased from Rs.6.00 lakhs to Rs.7.00 lakhs to the family members of deceased employee. The Minimum assurance benefit of Rs 2.50 lakh to eligible family members of deceased employee, who was a member for a period of 12 months in one or more establishments preceding his death in place of existing provision of continuous employment in the same establishment for 11 months.
- 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 and vide Circular dated 24th July, 2023 interest for the financial year 2022-23 @ 8.15%.

EMPLOYEES' PENSION SCHEME, 1995:

- Minimum Pension of Rs.1,000/- per month is payable in respect of a member widow(er)/nominee/dependent parents, whereas children and orphan pension of Rs.250/- per month and Rs.750/- per month respectively is payable with effect from 1st September, 2014.

- The Employees Provident Fund Organisation issued instructions on 20th February, 2023 in respect of employees and employers, who had contributed on under para 26(6) of the EPF Scheme on salary exceeding Rs.5000/6500 and did not exercise option under Para 11(3) of the pre-amendment Scheme, while being members of EPS, 1995 and were members prior to 1st September, 2014 and continued to be members on or after 1st September, 2014 can now submit their options to avail pension on salary exceeding Rs. 5000/6500.
- On 3rd May, 2023 the Ministry of Labour & Employment has issued two Notifications making amendments to Employees Provident Fund & Miscellaneous Provisions Act and Employees' Pension Scheme with reference to Supreme Court judgment dated 4th November, 2022. In respect of members who have exercised joint option for contributing under para 11 of the Employees' Pension Scheme and found eligible, the employer's contribution shall be 9.49 % of the basic salary and allowances exceeding Rs. 15,000 per month. This amendment will be applicable from 1st September, 2014.

EMPLOYEES' STATE INSURANCE ACT, 1948:

- With effect from 1st October, 2016, ESI Scheme introduced in all the Districts of Madhya Pradesh. From 1st January, 2017 wage limit for coverage is Rs. 21000 per month. With effect from 1st July, 2019 Employee's Contribution is 0.75% of wages and for Employers it is 3.75%. Employees in receipt upto Rs. 176 per day are exempted from payment.
- The Ministry of Labour & Employment issued a Gazette Notification on 7th March, 2022 amending Rule 55(1) of Employees State Insurance (Central) Rules, 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 Contributions for October, 2021-March, 2022 up to 26th May, 2022 instead of 11th May, 2022.
- The Employees State Insurance Corporation vide its Circular dated 22nd July, 2022 directed that w.e.f. 1st August, 2022 no Regulation Certificate for any Cash Benefit will be issued by ESIC/ESIC Dispensaries in physical form. All concerned will have to use "Dhawantari" module of project Panchdeep for issue of such Certificates.
- The Employees State Insurance Corporation vide its Circular dated 16th August, 2022, clarified that queries raised by the employers in relation implementation of the judgment dated 8th March, 2021 (ESIC v/s Texmo regarding deduction of contributions on conveyance allowance) have been examined and the legal opinion was obtained and as per the legal opinion the judgment holds good from 8th March, 2021.

- Sections 38 to 43, section 45H, Sections 46 to 74, Sections 76(2) to (4), section 80,82 and 83 of Employees' State Insurance Act, 1948 made applicable in all areas of Sehore, Shajapur and Guna Districts of the State with effect from 1st January, 2023.
- On 10th January, 2023 Employees State Insurance Corporation issued instructions based on decision of the Hon'ble Supreme Court in the matter of ESIC vs. Nitinbhai Vallabhai Panchasara that employer is liable to pay interest u/s 39(5)(a) of ESI Act from the date of contribution due and payable till the date of actual payment.
- Ministry of Labour & Employment on 13th January, 2023 has allowed E S I Corporation to perform Aadhar authentication on voluntary basis for providing social security benefits including medical and cash benefits under provisions of ESI Act with immediate effect.

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 thrice till 30th June, 2024 in order to provide relief to those IPs, who became unemployed during the Covid-19 pandemic.

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

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

- On 30th January, 2023 the State Government has added a new section 31(3) to Madhya Pradesh Shram Kalyan Nidhi Adhiniyam, for compounding of offences under the Act and determination of its amount.
- The Labour Department of the State has compounded offences under Section 31 (1) and (2) of the Madhya Pradesh Labour Welfare Fund Act, 1952 by monetary penalties ranging from Rs. 10,000 to Rs. 40,000.

INDUSTRIAL DISPUTES ACT, 1947:

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

- For retrenchment, three months' notice to a workman to be retrenched is require as against one month's notices earlier (Section 25F)
- At the time of retrenchment, a worker has to be paid 15 days average pay for every completed year of continuous service or any part in excess of six 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 with effect from. 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 vide its Notification dated 16th March, 2018 introduced '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, and as such, the 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:

- 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.
- The State Government vide Order dated 23rd June, 2011, allowed employment of women workers in all the shifts in the Textile Industry. It notified on 24th June, 2016 conditions for ensuring Safety of Workers required to work between 8.00 PM to 6.00 AM.
- Under the Madhya Pradesh Lok Sevaon ke Prabandhan ki Guarantee Adhinyam, 2010, by Notification dated 10th March, 2022, the time limit for issuing various certificates under Factories Act, Contract Labour (Regulation & Abolition) Act, etc. have been prescribed to be 30 days.

BUILDING & OTHER CONSTRUCTION WORKERS WELFARE CESS ACT, 1996:

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. The 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 fiber, etc.)

PAYMENT OF GRATUITY ACT, 1972:

With an amendment to Payment of Gratuity Act with effect from 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 by licensed or registered human resources agents and have to maintain a register of every Inter State Migrant Workman 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 like issue of licenses under Contract Labour (Regulation & Abolition) Act and renewal of licenses and approval of site plan under Factories Act will be provided in one day,
- 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 annual salary of Rs. 25,000 continues.

SEXUAL HARASSMENT OF WOMAN 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 and is 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 up to 3 months shall be paid 50% of stipend.

The Ministry of Skill Development and Entrepreneurship (MSDE) made the National Apprenticeship Promotion Scheme (NAPS) as part of the Direct Benefit Transfer (DBT) Scheme. On 15th November, 2022, the Government of India amended Apprenticeship Rules Schedule-V. Now the employer shall pay stipend to the apprentice at the rates specifies from time to time under Rule 11. However, the cost of stipend shall be borne by the Central Government and the employer up to such limits as may be laid down by the Central Government.

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 News Letters.

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 Confederation of Indian Textile Industry, 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.

MISCELLANEOUS:

Three Apparel Training & Design Centres (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.

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 2022- 23 and 2023-24:

The Madhya Pradesh Electricity Regulatory Commission (MPERC) notified Tariff for the 2022-23 on 31st March, 2022, which was made applicable from 8th April, 2022. The tariff rates for 2023-24 have been notified on 28th March, 2023 and made applicable from 5th April, 2023.

A comparative statement of Tariff (HV-3.1: Industrial) applicable to Textile Industry for the year 2022-23 and those for 2023-24 are as under:

HV-3.1 Industrial	2022-23 From 8th April 2022		2023-2024 From 5th April, 2023	
Fixed Charges Rs./KVA of Billing Demand p.m.: 11 KV Supply 33 KV Supply 132 KV Supply 220 KV/400 KV Supply	Rs 372.00 597.00 682.00 682.00		Rs. 384.00 616.00 704.00 704.00	
Energy Charge Rs. /Unit : 11 KV Supply 33 KV Supply 132 KV Supply 220 KV/400 KV Supply	Up to 50 %L.F Rs. 7.20 7.16 6.25 6.30	Above 50% L.F. Rs 6.20 6.11 5.76 5.30	Up to 50% L.F. Rs.7.30 7.26 6.85 6.40	Above 50% L.F. Rs. 6.30 6.21 5.86 5.40
Average Monthly Power Factor : 96% 97% 98% 99% 100%	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	
Power Factor Penalty : For each 1% decrease in Average Monthly Power Factor Below 90% " 85% " 70%	1% on E C for each 1% fall 5% + 2% for each 1% fall Disconnection		1% on E C for each 1fall 5% + 2% for each 1% fall Disconnection	
Billing Demand :	Actual Maximum KVA or 90% of CD whichever is higher		Actual Maximum KVA or 90% of CD whichever is higher	
Load factor calculation :	$\frac{\text{Monthly Cons.} \times 100}{\text{No. of Hrs. in Billing Month} \times \text{Demand(KVA)} \times \text{P.F.}}$		$\frac{\text{Monthly Cons.} \times 100}{\text{No. of Hrs. in Billing Month} \times \text{Demand (KVA)} \times \text{P.F.}}$	

Time of the day Surcharge/Rebate 6 PM to 10 PM Full year 10 P.M to 6 A.M. Rebate (Apl. -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.
For excess demand : a) Energy Charges	No Extra Charge	No Extra Charge
b) Fixed Charges	i) Up to 120 KVA normal tariff ii) Above 120 KVA & up to 130 KVA @ 1.3 times the normal tariff iii) Above 130 KVA @ 2.00 times the normal tariff	i) Up to 120 KVA normal tariff ii) Above 120 KVA & up to 130 KVA @ 1.3 times the normal tariff iii) Above 130 KVA @ 2.00 times the normal tariff

Note for 2023-24:

1. Rebate of Rs.1.00 per unit in Energy Charges is applicable for incremental consumption with reference to consumption of 2015-16 same month.
2. Rebate of Rs.1.00 per or 20%, whichever is lower to new HT Connection/Green Field Connections for which Agreements finalised during and after 2016-17.
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 2022-23 and recorded incremental consumption, over the same month of the current year

METERING CHARGES:

Metering Charges from the consumers' have been abolished with effect from. 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
1st Quarter 2022-23	06 Paise
2nd Quarter 2022-23	10 Paise
3rd Quarter 2022-23	20 Paise
4th Quarter 2022-23	34 Paise

FIRST AMENDMENT TO MADHYA PRADESH ELECTICITY REGULATORY COMMISSION (TERMS & CONDITIONS FOR DETERMINATION OF TARIFF FOR SUPPLY AND WHEELING OF ELECTRICITY AND METHODS AND PRINCIPLES OF FIXATION CHARGES) REGULATION, 2023:

These Regulations were notified on 17th March, 2023 and will be valid till March, 2027. Accordingly Fuel & Power Purchase Adjustment Surcharge (FPPAS) shall be billed on monthly basis to the consumers for increase in cost of power, due to change in Fuel Cost and Power Purchase Cost with reference to cost of supply approved by Commission.

The rate of Fuel & Power Purchase Adjustment Surcharge (FPPAS) have been notified as under:

Billing Period	Rate
From 24th April, 2023	5.0% on Fixed & Energy Charges
From 24th May, 2023	8.41% of Energy Charges.
From 24th June, 2023	6.16 % of Energy Charges.
From 24th July, 2023	3.15% of Energy Charges.
From 24th August, 2023	4.86 % of Energy Charges.
From 24th September, 2023	1.78% of Energy Charges

POWER TARIEF 2022-23 AND 2023-24 FOR SEZ, PITHAMPUR:

On 31st March, 2023 Madhya Pradesh Electricity Regulatory Commission has issued a public notice prescribing rates for the financial year 2023-24. Rates for the year 2022-23 were applicable from 9th May, 2022 and those for 2023-24 from 7th April, 2023:

Category	2022-23		2023-24	
	Fixed Charges	Energy Charges	Fixed Charges	Energy Charges
	per KVA	per Unit	per KVA	per Unit
11KV Supply	Rs. 193.00	Rs.3.65	Rs. 193.00	Rs. 3.77
33KV Supply	228.00	3.62	228.00	3.74

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 for a term of three years. Our Industry is represented by Shri Mahendra P. Khante, Vice President, Vardhman 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%). Duty is also levied on open access purchase 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.

The State Government has exempted Solar, Wind and Bio mass based generating stations from payment of Electricity Duty for a period of ten years vide Notification dated 18th June, 2014 as amended on 8th January, 2016.

ENERGY DEVELOPMENT CESS:

Energy Development Cess of 15 paise per unit with effect from 10th August, 2011, is 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 notified revised Rules on 31st May, 2022, whereby almost all the charges are revised upwards.

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

Energy Department of the State notified these Rules on 24th June, 2016, whereby, on occurrence of any accident 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 notified this Policy on 18th August, 2022, which will remain in operation for 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 with effect from 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 of Form -I for the financial years 2021-22 and 2022-23 by 30th June, 2023.

Under National Mission for Enhanced Energy Efficiency- there are 168 energy intensive textile units notified under Perform, Achieve, Trade (PAT) Scheme having an annual threshold level of energy consumption of more or equal to 3,000 tons of oil equivalent. This has resulted in saving of 0.313 Million Toe (1Toe= 11.6 mwh) in energy, consequently reducing 1.551 million tons of CO₂ in the Sector.

INSTALLED CAPACITY AS ON 31ST MARCH, 2023.

Sr. No.	Name of Unit	Spindles	Rotors	Auto Looms	Knitting Machines	Stenter Machines	Others
1	Anant Spinning Mills	1,29,204					
2	Bhaskar Industries Pvt.Ltd.	18,768	2,664	306			
3	Bio Spun Pvt. Ltd.	50,400					
4	Candor Textiles Pvt. Ltd.					2	
5	Deepa Textiles Pvt. Ltd.			36			
6	Deepak Spinners Limited	38,736					
7	Grasim Industries Limited (Staple Fibre Division)						1,62,425 Tons
8	Industrail Filters & Fabrics P Ltd.						Tech. Textiles
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 Purespun	50,400					
13	Maral Overseas Limited	79,776			62	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	70,846	720	-	71	3	
18	Prem Textiles (Intl.) Pvt.Ltd.	13,200	1650	40		2	
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.	15,338					
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	Swaraj Suitings Pvt. Ltd.,						
30	Threads of Harman			112			
31	TDB Spinning Pvt.Ltd.	-	1,590	-	-	-	-
32	Vardhman Fabrics	2,08,656	5,640	814		8	
33	Vardhman Yarns	4,08,170					
34	Vikram Woollens	9,984					
35	Vippy Spinpro Ltd.		3,168				
36	Wearit Global Ltd.		24,864				

The Madhya Pradesh Textile Mills Association



ESTD. 1932

OUR PAST 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



Major Cotton Growing States in India

