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NEWS CLIPPINGS –23-12-2017

GST regime to stabilise in next 18 months: Niti Aayog Vice Chairman Rajiv Kumar	Economic Times https://economictimes.indiatimes.com/news/economy/policy/gst-regime-to-stabilise-in-next-18-months-niti-aayog-vice-chairman-rajiv-kumar/articleshow/62210009.cms
<p>BENGALURU: The Goods and Services Tax (GST) regime would get stabilised in the next 18 months, Niti Aayog Vice Chairman Rajiv Kumar said today. "Give us time and you will see that in the next 18 months, GST will get stabilised, and this is where I think your (CAs) role is critical," he said while addressing the Southern Regional Conference of the Institute of Chartered Accountants of India here.</p> <p>""Unfortunately, some of you are trying to scare investors away from GST rather than helping them. I think it is rather unfair," he added. Kumar said if CAs do not extend cooperation, India will not be able to erase dualism in terms of organised and unorganised sectors, which is not good for the economy. "Formalisation of the economy will give a fillip to tax compliance. At present, tax compliance is between 40 to 43 per cent. It must increase to 90 per cent. The role of CAs becomes that much important," he said.</p> <p>Kumar said tax rates under GST will rationalise into three slabs, from five at present. "In times to come, tax rates under Goods and Services Tax will converge into three slabs -- 0, 12 and 28 per cent," he said.</p> <p>Kumar said to expect one tax rate under GST was impractical, given the size of the country which is equal to all European nations from Moscow to London put together.</p> <p>Also, there are varied cultures and business ethics followed by different states, and hence it is not feasible to have one tax rate under GST. Hence, it was necessary to have those multiple rates," he said. Kumar said it will be a huge step forward if petroleum products are brought under GST, about which Union Finance Minister Arun Jaitley had recently spoken in the Rajya Sabh.</p> <p>On demonetisation, he said the government may not have been able to convert all black money into white, but it has converted black money into grey."Believe me, Rs 4.5 lakh crore that has returned to banks by way of demonetisation will be acted upon," he added.</p>	

<p>Committed to raising India's share in global trade: Suresh Prabhu</p>	<p>Economic Times https://economictimes.indiatimes.com/news/economy/policy/committed-to-raising-indias-share-in-global-trade-suresh-prabhu/articleshow/62206887.cms</p>
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The government is committed to increasing India's contribution to global trade in a "very significant" manner, Commerce and Industry Minister Suresh Prabhu said today. He said he was looking forward to the country, which has about 1.7 per cent share in global trade, taking a rightful place in the world community as a significant player. Speaking at the foundation stone laying ceremony of the International Exhibition-cum-Convention Centre (IECC) and the Integrated Transit Corridor Development Project here, Prabhu said that both imports and exports contribute significantly to improving the country's GDP.

"When we import something, that also adds to consumption, adds to the capacity of Indian manufacturing to create world-class products. Obviously when we export, it creates new capabilities," he added. India is poised to be the third largest economy in the world, Prabhu said, adding that several factors are however need to make that happen. "One of them obviously is increasing investments, increasing consumption within the country, and also propelling India to a new growth trajectory by making global trade as a driving force of increasing the rate of growth of Indian economy," he said.

Referring to the IECC, Prabhu said the Pragati Maidan re-development project will be an exhibit of what India is going to be. "If you look at the kind of facilities that are going to be created, it is truly in the spirit of what modern India should be. This (project) will showcase India's ability to create world-class infrastructure," he said. Housing and Urban Affairs Minister Hardeep Singh Puri said India's capacity to hold international events is "severely handicapped and circumscribed" by the absence of infrastructure to host such events. Puri said financial assistance amounting to Rs 739 crore, which is 80 per cent of the total cost of the Pragati Maidan re-development, was being contributed from the Urban Development Fund.

<p>FinMin allows manual filing of refund claims by exporters, traders</p>	<p>Business Line http://www.thehindubusinessline.com/economy/policy/finmin-allows-manual-filing-of-refund-claims-by-exporters-traders/article10000690.ece</p>
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Hoping to speed up pending refunds of exporters and traders who are facing problems of blocked working capital under the Goods and Services Tax, the Finance Ministry has now allowed manual filing of such claims.

"Due to the non-availability of the refund module on the common portal, it has been decided ... that the applications, documents and forms pertaining to refund claims on account of inverted duty structure, deemed exports and excess balance in electronic cash ledger shall be filed and processed manually till further orders,"

said the Central Board of Excise and Customs in a recent circular.

The decision, taken on the recommendation of the GST Council is a significant break given that all filings under GST were expected to be done electronically on the online portal of the GST Network.

The relaxation has now been given as five months after the roll out of GST, exporters and manufacturers continue to face delays in receiving refunds that has now begun to impact their business operations.

The refund claims will have to be filed on a monthly basis by taxpayers. However, those assesseees who have joined the composition scheme and will file returns on a quarterly basis, can seek refunds on a quarterly basis, the CBEC said.

Refunds would be sanctioned by the respective Central or State GST authority and would be cleared within seven working days. To facilitate sanction of refund amount, the Central and State Tax authorities will also nominate nodal officers for liaisoning.

Deadline extended

Meanwhile, the CBEC has also extended the deadline for filing returns for input tax credit (ITC 01), non-resident taxable persons (GSTR 5) and person supplying OIDAR services from abroad to non-taxable online recipients in India (GSTR 5A).

The deadline for filing ITC 01 for declaring input tax credit on inputs in stock and WIP, capital goods for specified persons for the period July to November is now January 31, 2018.

The due date for filing GSTR 5 and GSTR 5A for the time period July to December has also been extended to January 31, 2018.

Plans to weed out inferior cotton seed	The Hindu http://www.thehindu.com/news/cities/Hyderabad/plans-to-weed-out-inferior-cotton-seed/article22261845.ece
<p>Govt wants inferior BG-2 cotton seed out of circulation</p> <p>The State Government has asked the field-level officers of the Agriculture Department to maintain caution on the spurious/failed cotton seed whose ratio of germination is below standards and lacks the gene purity.</p> <p>At a meeting chaired by Agriculture Production Commissioner C. Parthasarathi here on Friday, the issue of sub-</p>	

standard bollgard (BG-2) cotton seed was discussed at length, including the measures to be taken for its control. The field-level officers were asked to educate farmers and other stakeholders so that they would not sell or purchase such seed.

Commissioner of Agriculture M. Jaganmohan, Director of Telangana State Seed and Organic Certification Agency K. Keshavulu, representatives of seed producers' association and seed organisers and farmers from Gadwal and Mahabubnagar areas attended the meeting.

Returning seed

It was decided to take steps to make such seed unavailable in the market, and the seed producing farmers' plea to return stocks of such seed remaining with seed companies and agencies was turned down. They were explained that returning such seed would lead to spread of such inferior quality seed in the market and result in severe loss to the farming community.

After the kharif season last year, remaining stocks of such inferior quality seeds were returned to farmers after crushing them following the latter's request as it was the product of their hard work. Officials of the committee said allowing such sub-standard quality seed to remain in the market would ultimately harm the reputation of the State seed industry too.

China's green shift momentum growing	Yarns and Fibres http://www.yarnsandfibers.com/news/textile-news/chinas-green-shift-momentum-growing#.Wj3glreWblU
<p>The China's green manufacturing momentum is growing, as a record number of eco-friendly manufacturers showed up at the 2017 Intertextile trade show in Shanghai, although they're still a niche in a very large market. For the first year they actually labelled factories using eco or organic textiles, so they were easier to find. Although they are still talking maybe just twelve companies, out of thousands there.</p> <p>A commitment to sustainability is increasingly recognised in China. Wobabybasics, which uses entirely sustainable materials, was hailed as a top sustainable clothing brand by non-governmental organisation Green Initiatives, and studies have shown Chinese consumers are more and more willing to spend on green clothes and products. Green manufacturing is no longer the domain of specialist brands.</p> <p>Hong Kong-based textiles giant Esquel, the world's largest shirt maker, has put been putting sustainability at the centre of its business. With sales of US\$1.3 billion (860 million yuan) last year, Esquel manufactures over 100 million garments annually for retailers including Marks & Spencer, Ralph Lauren, and Tommy Hilfiger, and has</p>	

been focusing on building a more sustainable business for both staff and the environment.

Edgar Tung, head of global garment operations, Esquel Group said that this industry has a very bad reputation when it comes to labour abuses, and being able to employ people at the bottom of the pyramid. They really wanted to reduce their impact on the environment and convert people's perceptions about this industry.

The textile and clothing industry has a long way to go to improve its green credentials. It is the second largest polluting industry globally after oil, accounting for 12.8 million tonnes of textile waste each year, while in China, 17-20% of the world's industrial pollution and 2.5 billion tonnes of waste water are from textile dyeing and treatment alone each year.

Esquel said that it is determined to show that manufacturing doesn't have to be fuelled by cheap migrant labour and cost-cutting. A new US\$300m garment factory in Guilin has low-energy measures such as natural ventilation, and a commitment to zero discharge of wastewater.

In the last ten years, the company claims to have reduced energy consumption per garment by 45% and water consumption by 64%. A recent Corporate Information Transparency Index, which evaluated 267 brands in China, ranked Esquel as the second-best company textile and apparel company for its green supply chain, and fourth greenest among all companies.

At the recent Integral Conversation sustainability conference in Guilin, organised by Esquel, some of China's biggest names came together to outline their work in green production. Conglomerate Far Eastern, which has operations in ten major industries including textiles, construction and retail, outlined how it has shifted focus to green materials, including what they claim is the world's first 100% bio-polyester shirt.

This is the way of the future, said Douglas Tong Hsu, chairman and CEO of Far Eastern Group, They are focused particularly on reduced-chemical products and recycling waste products. Where they have to use new material, they want them to be green materials.

The government is also lending its support to sustainable manufacturing, inaugurating the Green Manufacturing Association of China this year, and driving companies towards automation as part of the ambitious Made in China 2025 plan to modernize the country's factories. Some of the most polluting factories have already shut down, according to experts, often unwilling or unable to afford the costs of new environment requirements.

According to brands such as Esquel and Far Eastern, they give their staff more training and pay higher rates than the market average to upskill the workforce, which increases productivity per employee.

But significant barriers remain in the green manufacturing sector in China. There's still a lack of awareness from

consumers about how environmentally damaging the industry can be, plus the upfront costs of eco-friendly production are higher and it is difficult to secure reliable green suppliers.

Manufacturers also face stricter standards which haven't always been adhered to, for example, the Global Organic Textile Standard (GOTS), which considers both environmental and social factors, requires refreshing every year.

And despite the increasing automation of factories, a preference for cheap labour is still common. Research suggests most Chinese manufacturers are not ready for the next stage of digital, sustainable manufacturing, dubbed "Industry 4.0". This new era of smart manufacturing is designed to move China up the value chain, increase productivity through the use of digital technology, and professionalise the manufacturing sector.

Another risk to many manufacturers in the industry is rising wages and growing anger over pollution from consumers and state policy. Many multinational companies are moving production to lower-wage countries with less stringent regulations like Vietnam or Bangladesh. Myanmar's clothing exports jumped from US\$950 million to US\$2.1bn between 2012 and 2016, while one analysis for the Federation of Hong Kong Industries trade group suggested the number of Hong Kong-owned factories in the Pearl River Delta fell by a third between 2006 and 2013.

Most of Esquel's customers are high-end brands, who are under pressure from consumers to deliver better standards. However, Esquel insists that building their green manufacturing centre has actually saved them money in the long run, and that green manufacturing doesn't have to be the domain of high-end goods.

Although there are more options available, the green shift in Chinese manufacturing is still just beginning, and the only way to really trust a factory's green credentials is to visit in person and check.