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NEWS CLIPPINGS –04-09-2018

Fix yarn price on monthly basis: power loom owners	The Hindu https://www.thehindu.com/todays-paper/tp-national/tp-tamilnadu/fix-yarn-price-on-monthly-basis/article24859459.ece

Petition submitted to District Collector

Urging the district administration to fix the price of yarn once in a month instead of twice a day, members of Erode Vhisaithari Urimayalargal Sangam (Erode Power Loom Owners Association) submitted petition to the Collector here on Monday.

Major sector

The petition said that power loom industry was a major sector in the district next to agriculture and over 30,000 looms were functioning at Veerappanchatiram, Chithode, Lakkapuram and other areas.

Most of the looms produced materials using rayon yarn that was purchased from companies.

Though the cost of raw materials for making rayon yarn was fixed once in a month, these companies hiked the price of yarn twice a day and also depending upon the demand.

“The price of yarn had increased from Rs. 202 per kg to Rs. 224 per kg in the past 15 days,” the members said.

They wanted the price of yarn to be fixed monthly so that the sector that provided job to over one lakh workers would survive.

They also wanted the textile cooperative mills to import rayon yarn and supply it directly to the power loom owners so that they need not purchase the yarn at higher price from private mills.

Reservation

The members said that modern looms were currently used for producing garments and hence they wanted reservation of articles for production in power looms. “Like handlooms, only if reservation is introduced for power looms, the sector will survive the competition from modern looms,” they added.

Textile Ministry issues draft BIS-based quality standards for cotton bales	Business Standard https://www.business-standard.com/article/economy-policy/textile-ministry-issues-draft-bis-based-quality-standards-for-cotton-bales-118090300564_1.html

Industry experts say this would help Indian cotton to get better prices in the long run and, in turn, benefit farmers

The Union Ministry of Textiles has issued a draft notification prescribing quality standards for cotton bales as per Bureau of Indian Standards (BIS) norms. Industry experts say this would help Indian cotton to get better prices in the long run and, in turn, benefit farmers.

According to the notification cotton Bales shall conform to IS 12171:2013 and shall bear the Standard Mark under a licence from the Bureau of Indian Standards as per Scheme–II of schedule II of BIS Conformity Assessment) Regulations, 2018. Nothing in the Order shall apply in relation to Cotton Bales meant for export, which conform to any specification required by the foreign buyer.

The Bureau of Indian Standards shall be the certifying and enforcing authority. In addition, an officer not below the rank of General Manager, District Industries Centre in the Department of Industries of the State Government shall also be the enforcing authority.

Penalty for Contravention: Any person who contravenes the provisions shall be punishable under the provisions of the Bureau of Indian Standards Act, 2016, said in the notification.

Cotton Association of India (CAI) president Atul Ganatra said that this was in line with the Prime Minister's vision to double farm income in India. Today, Indian cotton is sold at a discount of 10-15 per cent to international prices due to quality issues in ginning, processing, and labelling stages. Nearly 18 types of trash contamination creep into Indian cotton, which, in turn, affects the spinning mills.

If this all issues of trash contamination are sorted out at the ginning stage itself then spinning mills may also be willing to pay a better price. Once the new quality standards kick in, Indian cotton may command a higher price globally. While that may still not be at par with international prices in the short term, the farmers will stand to gain.

Ganatra says the customer would not mind paying extra percentage for quality cotton.

According to the Cotton Advisory Board, total domestic consumption of cotton in 2017-18 is estimated at 31.55 million bales. Further, in order to provide remunerative prices to growers, the government has fixed the Minimum Support Price (MSP) of cotton for 2018-19 season at Rs 5,150 per quintal for medium staple and Rs 5,450 per quintal for long staple.

Total production and consumption during the current crop year 2018-19 is not available, but state-wise estimated production, as per the Third Advance Estimates for the year 2017-18 is 34.86 million bales, say reports.

Cotton is king as state readies to say goodbye to plastic bags	Times of India https://timesofindia.indiatimes.com/city/bhubaneswar/cotton-is-king-as-state-readies-to-say-goodbye-to-plastic-bags/articleshow/65654215.cms

BHUBANESWAR: The drive against the use of plastic and polythene carry-bags has gathered steam. With the state government planning to prohibit the use of plastic across five cities on October 2, many organizations in the city - both government and private - have been switching to eco-friendly materials to make bags.

Several voluntary organizations here have even launched campaigns to promote and popularize the use of cotton cloth bags.

Among the green activists is Rudra Prasad Rath, who has started an online campaign called #whereisyourcottonbag a couple of months ago.

"We have caused enough damage to the environment by dumping plastic everywhere. It is time we undid some of the damage by saying no to plastic," he said. "Though the government's decision to ban plastic has been welcomed by us, many people are confused about what alternatives are available to them," he added.

As a part of his campaign, Rath has been asking people to post pictures with cotton or jute bags on social media platforms. He has also been speaking in assembly sessions at schools and colleges, and visiting housing colonies and apartments to urge the people to use cotton and cloth bags. "One school in the city has already declared its campus polythene-free. Around 1,000 people have posted pictures with cotton bags and many of them have started using these as well. Several shops and vendors have also stopped giving out plastic bags," said Rath.

Another group of volunteers has launched a campaign against plastic in different daily markets of the city. Under the banner of 'Save the Earth Foundation', the volunteers ask vendors and customers not to use plastic bags. "We approached vendors and customers in Jharpada daily market. Initially, the people did not give us much importance but they started listening to us after a couple of weeks. At present, around 70-80% people in the daily market have stopped using plastic," said Ranjan Acharya, a trustee of the foundation.

Petrol, diesel prices at highest-ever levels on rupee woes	Economic Times https://energy.economictimes.indiatimes.com/news/oil-and-gas/petrol-diesel-prices-at-highest-ever-levels-on-rupee-woes/65653934

This follows a 31 paise/litre hike in prices on Monday. Rates have breached the previous high of Rs 78.43 a litre hit on May 28. On that day, the rate in Mumbai was Rs 86.24 per litre

New Delhi: Petrol and diesel pricesin the country touched their highest levels Monday mainly due to dramatic fall in rupee and a sharp rise in crude oil rates. Petrol pricein Delhi rose to a record Rs 79.15 a litre and diesel climbed to a fresh high of Rs 71.15, according to price notification of state-owned fuel retailers. This follows a 31 paise/litre hike in prices on Monday. Rates have breached the previous high of Rs 78.43 a litre hit on May 28. On that day, the rate in Mumbai was Rs 86.24 per litre.

A litre of petrol in Mumbai costs Rs 86.56 on Monday. Prices in Delhi are the cheapest in all metros and most state capitals due to lower sales tax or VAT. Diesel rates on Monday were hiked by 39 paise a litre, the steepest increase since the daily revision in prices was introduced in mid-june 2017.

Diesel now costs Rs 75.54 per litre in Mumbai. Since August 16, petrol prices have risen by over Rs 2 per litre. Diesel prices on the other hand have risen by Rs 2.42 a litre during this period. Diesel rates had hit Rs 69.31 a litre on May 28, but this record was breached on August 27 and on Monday they hit a fresh high.

Fuel prices vary from state to state due to local levies. Officials said the spike in rates is on account of exchange rate falling to a record Rs 71 to a dollar, depreciating by Rs 2.5 in a month.

Also, crude oil has gained USD 7 a barrel in a fortnight, driven by fears that the US sanctions on Iran will likely contract supplies.

The appreciation of dollar against rupee has also pushed up rates for compressed natural gas (CNG) as well as piped natural gas (PNG) since the price of gas procured by city distributors is mostly dollar-denominated.

Indraprastha Gas Ltd, which retails gas in the national capital, on Sunday raised the prices of CNG by 63 paise per kg and by Rs 1.11 per standard cubic meter for piped natural gas supplied to households for cooking purposes.

CNG now costs Rs. 42.60 per kg in Delhi and Rs 49.30 per kg in Noida, Greater Noida and Ghaziabad. The consumer price of PNG to the households in Delhi has been increased to Rs 28.25 per scm, while same in Noida, Greater Noida and Ghaziabad would be Rs 30.10 per scm, which has been increased by Rs 1.26 per scm.

Charge-sheet filed against textile group	**The Hindu** https://www.thehindu.com/news/cities/Kochi/charge-sheet-filed-against-textile-group/article24858865.ece

The CBI team probing the alleged loan fraud by a Thrissur-based textile group has filed a charge-sheet against the partners of the company and an official of the State Bank of India.

The accused have been identified as Apu Mathew, manager of SBI RASMECC, Chenganur; Byju TP, Shaju T.O., Raju T.O., Jiju T.O., Annie Ouseph, all partners of the Thrissur-based Mariya Silks, formerly Emmanuel Silks, and Varki George of Erattupetta. As per the case, the textile group had taken a cash credit of ₹3.50 crore and later, a corporate loan of ₹1 crore in collusion with the first accused.

GST Council seeks ways to ensure MSMEs pay taxes every month	Live Mint https://www.livemint.com/Politics/1s5Rd6w1c5CeGOVPYvvtaN/GST-Council-seeks-ways-to-ensure-MSMEs-pay-taxes-every-month.html

MSMEs may be asked to give details of monthly sales data to check with income tax payments, say officials

Tax authorities are considering ways, including the levy of interest on tax dues, to ensure that micro, small and medium enterprises (MSME) pay taxes every month, two officials aware of the matter said.

Nearly 93% of taxpayers with annual sales up to ₹5 crore need to file only quarterly returns, according to a recent decision of the Goods and Servie Tax Council (GST Council). The government is trying to prevent any cash flow problems for the exchequer from this politically crucial segment, the people cited above said on condition of anonymity.

“The law committee of the GST Council is examining how to ensure that taxpayers pay tax every month. The monthly tax payment has to approximate a third of the quarterly tax payments. If the variation is beyond a percentage, the taxpayer may be asked to pay interest on that part,” said one of the two officials.

Such safeguards are being introduced to address concerns of states over any potential revenue leakages from easing of compliance burden on firms.

“MSMEs may also be asked to give a break-up of monthly sales data to check if the monthly tax payments made are commensurate to sales,” said the second official.

The central government is keen to give relief to the MSME sector, which suffered from the November 2016 demonetisation and the July 2017 GST rollout. Small businesses and traders are also politically relevant as they form a key support base for political parties, including the ruling Bharatiya Janata Party.

According to data available with the MSME ministry, there are more than 63 million MSMEs engaged in manufacturing, services and trade, more than half of which are in rural areas. These enterprises account for about 110 million jobs and contribute about 29% of the country’s economic output, the ministry said, citing the National Sample Survey 73rd round conducted during 2015-16. The role of SMEs in employment creation makes it a priority for the government to make it easier for them to do business and comply with regulations.

Besides quarterly filing of tax returns, the GST Council is also exploring the option of providing partial tax relief to MSMEs from GST. This may be done through a refund mechanism for a certain percentage of the tax payment.

The GST Council, in its previous meeting in August, had decided to set up a panel to look into issues faced by MSMEs and come up with suggestions before the next GST Council meeting on 28-29 September in New Delhi.

External Factors Behind Fuel Price Rise: Dharmendra Pradhan	Ndtv.Com https://www.ndtv.com/india-news/external-factors-behind-fuel-price-rise-dharmendra-pradhan-1910145

Talking to reporters on the sidelines of a conclave organised in Surat, Dharmendra Pradhan said the factors responsible for drop in production of crude oil have caused a spike in fuel prices in India.

Union Petroleum and Natural Gas Minister Dharmendra Pradhan Sunday blamed "external factors" for the rise in domestic prices of petrol and diesel, but said the increase is temporary.

Talking to reporters on the sidelines of a conclave organised in Surat, Mr Pradhan said the factors responsible for drop in production of crude oil have caused a spike in fuel prices in India.

"I would like to mention two points, and both these subjects are external. OPEC (Organisation of the Petroleum Exporting Countries) had promised that it will raise production by one million barrels per day, which was not raised.

"Apart from that, crises in countries like Venezuela and Iran are increasing. There is a pressure on oil prices due to decrease in production. Secondly, global currencies have weakened against the US dollar," he said.

Mr Pradhan was in Surat to inaugurate a textile and plastic investors conclave, where he addressed entrepreneurs, industry stake-holders and professionals from the plastic and textile industry. The conclave showcased opportunities in textile, polymer and downstream sectors in Odisha and eastern India. "This is a matter of concern for the world economy, and the Indian economy is also affected. But considering these factors, the Indian government is planning to put diplomatic pressure. "A high-level American delegation is visiting India, and India's two senior representatives - defence minister and external affairs minister - will talk to them. All these factors will be discussed. I consider this period (of high petrol, diesel prices) temporary," he said, referring to the 2+2 dialogue between the two countries in Delhi this week.

Fuel prices have been on the rise since August 16 after the rupee dipped to its lowest value against the US dollar.

Petrol and diesel prices had gone up by almost a rupee per litre within a fortnight last month. Later tweeting about the event, Mr Pradhan said, "Surat, today, is one of the largest man-made fibre clusters in India, processing more than two crore metres of fabric a day. The entrepreneurial spirit of the people of Surat has developed the city into a thriving economy based on textile and various other industrial clusters".

"It fills me with great pride that people from my home state of Odisha have played a key role in this economic transformation journey and a huge number of karigars in Surat today belong to Odisha.

"Government's decision to increase import duty on polyster fibre and yarn will further give impetus to domestic producers," he said in another tweet. "Odisha provides an excellent investment opportunity, being close to the demand pockets of eastern UP and West Bengal with unique coastal position to caret export demand," the minister tweeted.

About 1,800 businesses opt for migration to GST regime	Money Control https://www.moneycontrol.com/news/india/about-1800-businesses-opt-for-migration-to-gst-regime-2911591.html

About 1,800 businesses have migrated to GST regime availing the latest migration window. The number could go up as the state tax officers are still compiling data," an official said.

About 1,800 businesses that were registered under the earlier VAT and service tax regime have applied for migrating to the GST regime. The GST Council, in its meeting in July, had allowed businesses with provisional GST ID to migrate to the new GST regime.

The Central Board of Indirect Taxes and Customs (CBIC) had then asked these taxpayers to approach the jurisdictional nodal officer of the Central or state government on or before the August 31, 2018, along with provisional ID, registration number under the earlier law, reason for not migrating in the system, along with the contact details.

"About 1,800 businesses have migrated to GST regime availing the latest migration window. The number could go up as the state tax officers are still compiling data," an official said.

Currently, over 1.15 crore businesses are registered under the GST regime, of which 63.76 lakh have migrated from the erstwhile service tax and VAT regime, and over 51 lakh are new registrants.

The migration window since November 2016 and closed after roll out of GST on July, 2017. Many taxpayers would have migrated when the window was open initially before GST roll-out. Hence the turnout for migration would have been less this time," the official added.

The process of migration of existing assessees to the GSTN had started in a phased manner from November 2016.

Once a business migrates to GST regime, it is given a provisional ID. After that, in the second stage, the business has to log in to the GSTN portal and give details of its business, such as the main place of business, additional place of business, directors and bank account details.

Thereafter, the business has to verify its registration through digital signature, or by generating an electronic verification code (EVC). Many businesses, who were earlier registered with excise, service tax, VAT regime, had not completed the second stage of migration process.

CAI, BSE to join hands to develop futures trading platform	**Money Control** https://www.moneycontrol.com/news/business/markets/cai-bse-to-join-hands-to-develop-futures-trading-platform-2912871.html

BSE is planning to soon launch cotton futures contract. This will benefit the entire cotton sector in the country.

Cotton Association of India on Monday said it will sign an agreement with the BSE to develop the futures trading platform for cotton.

To jointly develop a vibrant and user-friendly cotton exchange to cater to the hedging needs of the entire cotton value chain in India, both the BSE and the CAI have decided to sign an Memorandum of understanding (MoU), which will be effective for the next five years, said a release.

BSE is planning to soon launch cotton futures contract. This will benefit the entire cotton sector in the country.

Pakistan delays FTA-II signing with China at eleventh hour	**Tribune India** https://tribune.com.pk/story/1678534/2-pakistan-delays-fta-ii-signing-china-eleventh-hour/

Pakistan has put off the signing of a revised free trade agreement with China at the last moment due to strong reservations about the final offer list shared by Beijing, said Minister of State for Finance Rana Muhammad Afzal on Thursday.

“The agreement was almost ready for signing when we conveyed our reservations to the prime minister about the final list of concessions that Beijing shared at 11pm,” said the deputy finance minister.

He was briefing the National Assembly Standing Committee on Finance on the status of negotiations on second phase of the free trade agreement (FTA) with China.

The committee expressed concern over what it said was the secret nature of FTA-II talks. Over the past few weeks, the Chinese ambassador has held meetings with the commerce secretary and Prime Minister Shahid Khaqan Abbasi in order to push the deal.

It was almost a mature agreement and was about to be signed by both countries, Afzal said, revealing the decision to delay the endorsement was taken after the business community of Faisalabad – Pakistan’s textile hub – voiced serious reservations about the Chinese final offer list.

Both countries have so far held 10 rounds of negotiations for finalisation of the FTA-II. However, the industry and Federal Board of Revenue put up fierce resistance after the commerce ministry revealed in an internal meeting that Pakistan would offer zero duties on 75% of imported tariff lines.

Under first phase of the FTA, Pakistan gave duty concessions on 35% of tariff lines, which led to a huge influx of Chinese goods and many local industries could not survive.

Under the second phase, China was seeking certain concessions which the Pakistan industry was not ready to give, said Afzal.

“Bureaucracy thinks that it knows all, but this approach has put the country’s economic future at stake,” said Qaiser Ahmad Sheikh, Chairman of the National Assembly Standing Committee on Finance.

He regretted that the commerce ministry did not take all the stakeholders into confidence before offering huge concessions to Beijing. Trade with China was already one-sided and if further concessions were given, no industry would survive in Pakistan, he warned.

Trade volume between China and Pakistan, which stood at $4 billion a year before the FTA signing in 2008, peaked to $15.6 billion in 2016-17. Pakistan’s exports to China were only $1.5 billion in the last fiscal year while imports amounted to $14 billion, according to Chinese statistics.

It was a wrong perception that the commerce ministry did not take the stakeholders into confidence as it had held meetings with 85 associations, claimed Javed Akbar, Additional Commerce Secretary.

He revealed that 40% of imports from China were not entitled for duty concessions and most of the imports comprised either capital goods or raw material. However, committee members did not accept the ministry’s explanation.

Akbar revealed that the 11th round of talks with China would now be held only after taking into confidence all the stakeholders on China’s final offer.

The commerce ministry did not hold meaningful consultations with parliament before holding talks with China, said Asad Umar of the Pakistan Tehreek-e-Insaf.

He underlined the need for a review of the trade figures to determine how much of imports from China was the outcome of change in destination from Europe and the west to China.

Umar said free trade agreements should not be constructed on theory rather they must be based on ground realities. “The ground reality is that Pakistan’s industry is not competitive.”

“FTA-II is being finalised in haste as it serves vested interests of a few people,” remarked Qaiser Sheikh.

A joint meeting of the National Assembly standing committees on finance and commerce will now be held to finalise parliament’s response to the FTA-II.

There is apprehension that Beijing’s push for further trade liberalisation under second phase of the FTA may dampen prospects of Chinese investment in prioritised special economic zones being set up under the China-Pakistan Economic Corridor (CPEC). It would be convenient and cheaper for Chinese companies to manufacture in China and supply products to Pakistan at zero duties, which would render the SEZs useless.

Nation booms on oil, and diversifies into renewable energy, textiles and electronics	South China Morning Post https://www.scmp.com/country-reports/country-reports/topics/ghana-country-report-2018/article/2162189/nation-booms-oil

According to the central bank, Ghana's oil production leapt to nearly 60 million barrels in 2017, resulting in export revenues 124 per cent above the previous year

Ghana could have one of the world's fastest-growing economies in 2018, according to institutions such as the World Bank, the African Development Bank, the International Monetary Fund (IMF), and the Brookings Institution.

Financial authorities have also concluded that Ghana's 2018 growth, projected at 8.6 per cent, might outpace that of tech-led India and also Ethiopia, which since 2008 has been one of Africa's most successful economies, thanks to improved agricultural production and substantial coffee exports. According to an IMF expert, only tiny Bhutan and post-civil war Libya are expected to see a higher rate of growth.

Last January, Bloomberg reported that Ghana's benchmark stock index achieved the world's highest rate of growth, an astonishing 19 per cent.

As oil prices have increased, the nation has also boosted its production, helped by two new major offshore oilfields over the past two years. According to the central bank, Ghana's oil production leapt to nearly 60 million barrels in 2017, resulting in export revenues 124 per cent above the previous year.

Ghana enjoys an enviable location on the Atlantic Ocean, bordering Togo, Ivory Coast and Burkina Faso. Its population of just under 30 million has seen the government strengthen in the past two decades as it flourished under a multi-party system, with the independent judiciary winning a high degree of public trust.

When it comes to freedom of speech and press freedom, Ghana consistently ranks in the top three countries in Africa, with a strong broadcast culture that favours radio, although the internet is fast gaining in popularity.

In the months since he was elected, President Nana Akufo-Addo has made steady progress in fulfilling his election pledges, including setting up a factory in each of the nation's 216 districts; building one dam for every village and providing free high school education.

Other projects include wide-scale planting that will provide both food and jobs.

Cocoa is Ghana's other great resource, and farmers are riding on the oil boom with alacrity. Other Ghanaian industries are performing creditably. The country's industrial base is relatively advanced and import-substitution industries include electronics manufacturing.

RLG Communications was one of the first indigenous African companies to assemble laptops, desktops and mobile phones, and ranks among the largest West African information and communications technology companies.

Ghana's automotive manufacturing is bolstered by investment from the Indian firm Mahindra while the textile industry is championed by a long-running quartet, namely Akosombo Textiles, Tex Styles Ghana, Printex Ghana and the Ghana Textile Manufacturing Company. Ghana also has an eye on the future of renewable energy, with a number a farsighted projects aimed at lessening its dependence on fossil fuels and taking advantage of Africa's natural bounty.

The nation was one of the first in the region to initiate the construction of solar plants with the aim of getting 6 per cent of its energy from solar generation. As one of the biggest photovoltaic (PV) and largest solar energy plants in Africa, the Nzema solar power project has the potential to provide electricity to more than 100,000 homes.

Unlike many other solar projects that use concentrated solar power, the solar plant's PV technology converts sunlight directly into electricity.

The installation of more than 630,000 solar PV modules started in 2013, with the first electricity being generated early in 2014. Similar projects are under consideration in other parts of the country. In a similar vein, the government is capitalising on the potential of wind energy. Ghana has high-wind locations, such as Nkwanta, the Accra Plains, and the Kwahu and Gambaga mountains, and the maximum energy that could be tapped from Ghana's available wind resource for electricity has been estimated to be about 500-600 GWh/year.

One of the first wind energy projects is due to go into operation next year – the 50MW Ada station, which is being built in the Greater Accra region at a cost of US$120 million. Developed by global energy company Engie together with South Africa's eleQtra, Ada station will contribute to the Ghanaian government's objective of generating 10 per cent of its electricity from renewable resources.

The project is also in line with Ghana's ambition to become a regional power generation hub and export power to its neighbours in the West African Power Pool. Finally, Ghana is aiming to attract investment to its biomass and bio-energy sectors, which should stimulate rural development, create jobs and preserve foreign exchange.

Ghana's vast arable land mass could be used to cultivate crops and plants that could be converted to solid and liquid bio-fuels, as the development of alternative transport fuels could assist the nation to diversify and secure its future energy supplies. The main opportunities in the sector exist in areas such as transport, storage, distribution, sales, marketing and export.