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1. LULULEMON UNVEILS 'INFINITE RECYCLING' SUSTAINABILITY PLANS

Lululemon is embarking on a multiyear plan to boost circularity by creating "infinitely recycled" nylon and polyester materials. The company is teaming up with Australian enviro-tech startup Samsara Eco to drive the efforts, concentrating on reducing waste across its value chain by leveraging lower-impact alternatives into essential materials. The companies are calling the "textile-to-textile" collaboration the first of its kind within the performance apparel sector. Yogendra Dandapure, VP, raw materials innovation at Lululemon, said that the technology's enzymatic process will allow the brand to transform apparel waste into nylon and polyester, boosting end-to-end circularity a longtime vision of the company. The eco-tech start-up outlines how the majority (60%) of apparel produced is composed of nylon and polyester, and that the vast majority of these waste textiles (87%) are released back into the environment either through incineration or in landfills. Samsara Eco's solution targets these waste streams, breaking down the plastics in mixed apparel textiles and refashioning the molecules into new materials. It's hoped that the partnership Samsara's first drive into the clothing sector and Lululemon's first minority investment in a recycling company will drastically reduce carbon emissions and overall reliance on fossil fuels. "Nylon remains our biggest opportunity to achieve our 2030 sustainable product goals," Dandapure added. The move away from traditional nylon production has stayed in the company's sights for some time. In April, Lululemon debuted its first products made from renewably sourced, plant-based nylon, which involves the use of fermenting plant sugars to create the chemical compounds used to make the nylon alternative. More broadly, the company has channeled efforts into its Like New resale, trade-in, and re-commerce program, allowing shoppers to swap their clothing for gift cards both in-store and online.
(Source: Fibre2Fashion)

2. CBDT IMPLEMENTS E-APPEALS SCHEME 2023 TO EASE CASELOAD BURDEN

CBDT has notified the E-Appeals Scheme, 2023 to ease the caseload of the Income-tax Appellate Tribunal (ITAT). The scheme will allow taxpayers to file appeals electronically, which is expected to reduce the time and cost of filing an appeal. The Finance Ministry has notified the e-appeals scheme, 2023 under which aggrieved assessees can appeal certain orders before JCIT (Appeals) passed by an assessing officer below the rank of JCIT. "The Joint Commissioner (Appeals) shall dispose of the appeals filed before it or allocated or transferred to it, in accordance with the provisions of this scheme," said the notification. The JCIT (A) will have income-tax authority, ministerial staff, executive or consultant to assist in the disposal of appeals, as may be considered necessary by the board. The Finance Act, 2023 inserted a new Section 246 in Chapter XX of the Income Tax Act. Finance Minister Nirmala Sitharaman had in the Union Budget 2023-24 proposed to deploy about 100 joint commissioners for disposal of small appeals to reduce the pendency of appeals at

commissioner level. Till now, the first appellate authority for an assessee aggrieved by any order was the Commissioner (Appeals) but they are overburdened due to the huge number of appeals and the pendency being carried forward every year. The JCIT (A) is expected to handle certain class of cases involving small amount of disputed demand. Under the scheme, taxpayers can file appeals with the JCIT (Appeals) against orders relating to assessment in cases such as an intimation issued under Section 143(1) for a scrutiny assessment where the assessee objects to the making of adjustment; or any order of assessment passed under Section 143(3) or best judgment assessment order passed under Section 144 where- the assessee objects to amount of income assessed or the amount of tax determined or the amount of loss computed or the status under which he is assessed. All communication between the JCIT (A) and the appellant as well as internal communication would be through electronic mode. A person shall not be required to appear either personally or through authorised representative in connection with any proceedings under this scheme. The appellant can, however, request a personal hearing, which would be done through video conferencing or video telephony. "The board shall establish suitable facilities for video conferencing or video telephony, including telecommunication application software which supports video conferencing or video telephony at such locations as may be necessary, so as to ensure that the appellant, or his authorised representative, or any other person is not denied the benefit of this scheme…," said the notification.
(Source: CAclubIndia)

3. INTERNATIONAL TRADE IN RUPEE CURRENCY SOON: PIYUSH GOYAL

Commerce and Industry Minister Piyush Goyal expressed hope that traders will soon be able to settle foreign trade in the rupee currency as several banks from different countries are opening special Vostro accounts with Indian banks. The Reserve Bank of India (RBI) has approved 60 requests to open Special Rupee Vostro Accounts (SRVAs) of correspondent banks from 18 countries, including the UK, Singapore, and New Zealand. The RBI, he said, is in discussion with the central banks of other countries on the matter. “We will soon start seeing operationalisation of this rupee trading in international trade with several countries,” Goyal told reporters here. He also said that negotiations for free trade agreements (FTAs) with developed regions like the European Union, the UK, and Canada are in “advanced” stages. Groups including European Free Trade Association Free Trade Agreement (EFTA), Gulf Cooperation Council (GCC) and Eurasian Economic Union (EAEU) are also keen to start talks for similar pacts with India. “The whole world wants to have a comprehensive economic partnership agreement with India,” the minister said. On the second phase of the production-linked incentive scheme for the textiles sector, he said that extensive stakeholder discussions have happened on the subject. “I am quite confident that very soon we will be able to finalise the contours of the scheme and take it up for approval at the highest level,” he added. Goyal said that Indian textile exporters were earlier facing customs duty disadvantages in developed markets vis-a-vis countries like Bangladesh, but as the government is inking trade pacts with regions like the UAE and Australia, domestic exporters would be able to push shipments. On promoting sustainability in the textiles sector, Goyal said that the textiles ministry has decided to set up an ESG (environmental, social, and governance commitments) task force. The task force will come up with suggestions to make the sector more environment-friendly and sustainable. The textiles ministry has also launched a portal to promote the sale of handicrafts and handloom products. On the National Textiles Corporation, he said that viability and other issues of its units have been discussed with the Finance Ministry but no final decision has been taken yet. On pink worms affecting cotton crops in certain places, the minister said that they are in discussion with the agri

ministry and scientists to develop pink worm-resistant varieties. On exports, Goyal said expressed confidence that the USD 100-billion target for the textiles sector would be achieved. He also said working with industry would help take the industry's combined domestic and international economic value to USD 250 billion. "It is possible. We will definitely achieve that," he added.
(Source: The Print)

4. G20 MAY AGREE ON DEFINING STARTUPS

G20 nations are expected to agree on a common definition for startups by July, enabling effective policymaking across members and potentially resolving current challenges surrounding the valuation and taxation of startups, Indian government officials said. The foundation and alliances working group under the Startup-20 Engagement Group, created during India's G20 presidency in 2023, is leading discussions to establish consistent terminology across member nations to define investments, funding, and other related terms for startups in the ecosystem. "We already have had two discussions on it, and we are hoping we will come out with a single communique by the fourth meeting that will define startups uniformly across G20 countries. It should be out by 3-4 July," a government official said. India's department for promotion of industry and internal trade (DPIIT) currently defines a startup as an entity up to 10 years from its incorporation date, with sales of less than ₹100 crore in any financial year. There are over 97,000 recognized startups under DPIIT. The definition has a crucial impact on government schemes, tax exemptions, and incentives. Therefore, any change in the definition could have significant consequences for the startup ecosystem, particularly concerning valuations and taxation. "Such a definition will impact policymaking. Any startup which wants to raise money wants to do that on a higher value. But they will be taxed more under income tax. That is the issue. But the idea of a startup is to get valuations on future growth prospects. So the two arms of the government need to sit and talk," the official said, requesting anonymity. *Mint* had earlier reported that the government is working to resolve concerns regarding the angel tax levied on the capital raised by an unlisted company by selling shares to investors above the fair market value. Officials said harmonizing norms for the global startup ecosystem could resolve the differences between how startups are valued by global markets and how they are valued for taxation. These challenges are particularly relevant for India's startup ecosystem amid tightening global liquidity conditions. Funding for Indian startups fell over 75% to $2.8 billion in the March quarter, according to market intelligence platform Tracxn, compared to $11.9 billion the year earlier. Moreover, at least 11 tech startups laid off 1,400 workers in the first two weeks of 2023, accounting for 7.3% of the total layoffs by startups in 2022 as companies attempt to cut costs amid economic uncertainty.
(Source: LiveMint)

5. SUCCESSFUL AND SUBSTANTIAL CONCLUSION OF TEXT-BASED NEGOTIATIONS OF IPEF PILLAR-II (SUPPLY CHAINS); GOOD PROGRESS UNDER OTHER PILLARS

The second Indo-Pacific Economic Framework for Prosperity (IPEF) Ministerial Meeting was held in Detroit hosted by the US. Union Minister for Commerce and Industry, Consumer Affairs, Food and Public Distribution, and Textiles, Shri Piyush Goyal virtually participated in the Ministerial meeting. IPEF was launched jointly by the USA and other partner countries of the Indo-Pacific region on May 23, 2022 at Tokyo. IPEF has 14 partner countries including Australia, Brunei, Fiji, India, Indonesia, Japan, Republic of Korea, Malaysia, New Zealand,

Philippines, Singapore, Thailand, Vietnam & USA. It seeks to strengthen economic engagement among partner countries with the goal of advancing growth, peace and prosperity in the region. The framework is structured around four pillars relating to Trade (Pillar I); Supply Chains (Pillar II); Clean Economy (Pillar III); and Fair Economy (Pillar IV). India had joined Pillars II to IV of IPEF while it has an observer status in Pillar-I. At this Ministerial Meeting, negotiations under the Supply Chains (Pillar-II) were substantially concluded; while good progress was reported under the other IPEF Pillars. Pillar-wise Press Statement was issued at the end of the Ministerial meeting to provide an update on the developments related to text-based negotiations under each of the respective IPEF Pillars. Under the Supply Chains (Pillar-II), IPEF partner countries are seeking to: make supply chains more resilient, robust, and well-integrated through crisis response measures; cooperation for mitigation of disruptions to better ensure business continuity, and improve logistics and connectivity; promoting investments particularly in critical sectors and production of key goods; and worker role enhancement through requisite upskilling and reskilling, and increasing comparability of skills credentials frameworks across IPEF. During his intervention under this Pillar, Shri Piyush Goyal, commended the negotiating teams in delivering an expeditiously negotiated, and mutually beneficial Agreement that could propel deeper integration of economies and supply/value chains within IPEF, and urged for expeditious implementation of all the action-oriented cooperative and collaborative elements identified as part of this Agreement. Under the Clean Economy (Pillar-III), IPEF partners are aiming to advance cooperation on research, development, commercialization, availability, accessibility, and deployment of clean energy and climate friendly technologies, and facilitate investment towards climate-related projects in the region. Further, interested IPEF partners are introducing a regional hydrogen initiative to encourage widespread deployment of renewable and low-carbon hydrogen and its derivatives in the region. During his intervention under this Pillar, Shri Goyal highlighted that India would like the Pillar focus to be centered on action-oriented elements, such as mobilization of low cost long tenure climate finance and enhanced access to clean energy technologies. Under the Fair Economy (Pillar-IV), IPEF partners are working toward development of the text of an agreement that will strengthen implementation of effective anti-corruption and tax measures to boost commerce, trade, and investment among IPEF economies. During his intervention under this Pillar, the Minister highlighted the strong steps taken by India under the dynamic leadership of the Prime Minister Shri Narendra Modi to improve India's legislative and administrative framework to provide a corruption free administration and reaffirmed India's commitment to implement UNCAC and the FATF standards.
(Source: pib.gov.in)

6. TEXTILES PLI 2.0. TEXTILE INDUSTRY SET TO GET SECOND TRANCHE OF PLI WORTH INR 4,307 CRORE

The second tranche of PLI to cover garments, made-ups, and textile accessories; have lower investment, and turnover criteria. While the existing edition of the PLI scheme for textiles is limited to the production of man-made fiber fabrics and apparel and technical textiles, the second edition being proposed will be open for garments, made-ups, and accessories of all materials. The Textile PLI (Production Linked Incentive) Scheme 2.0 was launched by the Indian government in March 2021 as a part of the Atmanirbhar Bharat Abhiyan (Self-Reliant India Campaign) to boost the country's textile manufacturing sector and make it globally competitive. The scheme has a total outlay of INR 10,683 crores and is applicable for 5 years starting from 2021-22. The objective of the scheme is to promote domestic manufacturing, attract investments in the textile sector, and create employment

opportunities. The scheme aims to achieve this by providing financial incentives to eligible textile manufacturers based on their incremental sales of certain textile products. Under the Textile PLI Scheme 2.0, eligible textile manufacturers will be incentivized for the production of 7 key product categories, including MMF (man-made fiber) apparel, MMF fabrics, silk, cotton, wool, technical textiles, and home textiles. The incentives will be provided on incremental sales over the base year (2019-20) for 5 years. The financial incentives will be provided at a rate of 5 percent to 10 percent of the incremental sales value, depending on the category of the textile product. The incentives will be disbursed annually for 5 years, subject to the achievement of certain performance parameters. To be eligible for the scheme, textile manufacturers must make a minimum investment of ₹50 crores in plant and machinery for the production of eligible textile products. The scheme is open to both new and existing textile manufacturers. Overall, the Textile PLI Scheme 2.0 is expected to boost domestic manufacturing, increase exports, and create employment opportunities in the textile sector, thereby contributing to the growth of the Indian economy. The second edition of the production-linked incentive (PLI 2.0) scheme for textiles is likely to have an outlay of ₹4,307 crore and will cover the manufacture of garments, made-ups, and textiles accessories of all materials, natural or man-made, per the Cabinet note finalized by the Textiles Ministry.
(Source: Textalks.com)