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## 1. KMTP TO MAKE WARANGAL A TEXTILE MANUFACTURING POWERHOUSE: KTR

Setting up of the Kakatiya Mega Textile Park (KMTP) at Geesukonda in Warangal district is a significant step in the direction of fostering the sector's growth, generating substantial employment opportunities and reviving the past glory of the erstwhile composite Warangal district as a major textile powerhouse, said Industries and IT Minister K.T.Rama Rao. The KMTP, one of the biggest textile parks in India, was set up to promote the 'Farm to Fashion' concept, provide support to cotton farmers, and revive the past glory of Warangal district, endowed with best quality cotton produce and skilled weavers, the Minister said. He was speaking at the groundbreaking ceremony of South Korea's textile major Youngone's 11 factories at the KMTP. South Korean Ambassador in India Chang Jae-bok, Youngone Corporation's chairman and CEO Ki-Hak Sung were present. Addressing the gathering, Mr.Rama Rao said the Youngone factories at KMTP will generate employment for around 21,000 people. Four factories will be set up in the first phase providing employment to nearly 6,000 people and seven more factories will come up in subsequent phases. The majority of jobs at these factories will be earmarked for locals, particularly women, he said, adding that the garments produced at these factories will be of international standards and the Made-in-Telangana textiles will be exported to America, Europe and other countries. The Centre, belatedly, launched the PM MITRA scheme, inspired by the KMTP, he said, asserting that the Telangana government was at the forefront of implementing a plethora of path-breaking schemes, heralding all-round development of the State and people's welfare.

*(Source: The Hindu)*

## 2. BANGLADESH EASES LC CASH MARGIN TO IMPORT 10 TYPES OF GOODS

The central bank announced the measures as part of an effort to improve the supply chain. The Bangladesh Bank has relaxed the cash margin on the import of goods related to industries, health, construction, transport, ICT and raw materials, leaving it to the banks to issue letters of credit for these products based on their relations with clients. The central bank announced the measure as part of efforts to bolster economic activities and improve the supply chain. The Bangladesh Bank published a list of sectors in which the facility would be applicable. Bangladesh raised the cash margin for the import of non-essential goods from 50 percent to 75 percent in a bid to save up dollars. The cash margin for the import of luxurious products was also raised to 100 percent. However, baby foods and other essential food items, fuel, medicines and equipment were left out of the measure to ensure their supply. Banks then began to apply the 75 percent cash margin for security equipment, computer parts, transport and construction materials as they were not included in the list. The list was not clear about health-related goods, including blood grouping reagents, and they were subject to a 75 percent margin as well. As a result, the import costs for these goods went up while many entrepreneurs struggled to bring in products amid the dollar crisis. In the statement, the central bank said importers play a crucial role in expanding trade and employment and sustaining the flow of the economy by importing several important goods for the cottage, micro, small and medium enterprises, or CMSME. The central bank said the cash margin rate for import credit can be based on a bank's relationship with the importer.

The list of products with relaxed cash margin is as follows:

- Parts of industrial machinery.
- Textile raw materials, chemical and associated goods.
- Plastic and packaging items and related raw materials.- Medical equipment, accessories and reagents.
- UPS/IPS parts and accessories.
- Security-related goods.
- Construction-related materials, steel sheets, H-beam, etc., that complement locally manufactured goods.
- Computers/laptops and their parts.
- Hardware related to information and communication technologies, the internet and cyber security.
- Vehicle parts, tyres, tubes

*(Source: bdnews24.com)*

## 3. PIYUSH GOYAL URGES TEXTILES INDUSTRY TO COLLABORATE AND PARTNER FOR R&D AND INNOVATION

Union Minister Piyush Goyal has urged the industry to collaborate and partner for research and development and innovation to jointly achieve greater strides in the textiles sector. He was chairing the Industry Interaction on 'Investment Opportunities in the Textiles Industry under PM MITRA Scheme'. The Minister of Textiles, Commerce and Industry and Consumer Affairs, Food & Public Distribution also praised Gujarat, Karnataka, MP, Maharashtra, Telangana, Tamil Nadu, and UP for providing a thriving ecosystem for textiles manufacturing. Goyal commended the industry for their enthusiasm to set up and expand businesses in the upcoming Pradhan Mantri Mega Integrated Textile Region and Apparel (PM MITRA) Parks. The Minister further encouraged the industry to take benefit from the existing attractive schemes of the Ministry of Textiles, including the National Technical Textiles Mission and Scheme for Capacity Building In Textile Sector (Samarth). He also suggested setting up a dedicated Invest India desk in the Ministry of Textiles to assist and handhold investors looking to set up or expand their manufacturing base to meet increasing global demand in the sector. The industry interaction revolved around the themes of Sustainability, introduction of R&D centres and making upcoming factories in the PM MITRA, ESG (environmental, social and governance) compliant and ensuring value added products are manufactured in the upcoming parks. "The Minister emphasized the need for phase-by-phase development of these parks for efficient utilization of resources and better integration of the textile value chain. It was suggested that two 5 member Action Teams be set up to study ESG norms and model park design in line with global leading practices for upcoming units in the PM MITRA parks," the Textiles Ministry said. Inspired by the 5F vision (Farm to fibre; fibre to factory; factory to fashion; fashion to foreign) of the Prime Minister of building an Aatmanirbhar Bharat and positioning India strongly on the global textiles map, the scheme for setting up of 7 PM MITRA Parks was announced in Union Budget for 2021-22. PM MITRA scheme will offer the opportunity to create an Integrated Textiles Value Chain right from spinning, weaving, processing/dyeing, and printing to garment manufacturing at one location and will reduce logistics cost of Industry. It is expected to generate around 1 lakh direct and 2 lakh indirect employment per park, spreading over 1,000 acres each and attracting proposed investments of around Rs 70,000 crore. These parks are envisaged to

be located at sites that have inherent strength for the textile industry to flourish and have necessary linkages to succeed.
*(Source: The Economic Times)*

## 4. ODISHA GOVT AMENDS GST BILL, SIMPLIFIES TAX PROVISIONS

The Odisha cabinet approved the Odisha Goods and Services Tax (Amendment) Bill, 2023 that proposes to simplify the provisions and provide certain facilities to taxpayers and tax authorities in the state. With the amendment in the GST bill, certain offences have been decriminalised to increase the monetary threshold from Rs 1 crore to Rs 2 crore for launching prosecution for the offences. Accordingly, persons involved in offences relating to the issuance of invoices without a supply of goods or services or both from the option of compounding the offences have been excluded. As per reports, the amendment has also led to the removal on the restriction imposed on registered persons engaged in supplying goods through electronic commerce operators from opting to pay tax under the composition levy. According to the amendments made in the bill, the input tax credit will not be available in respect of goods or services or both received by a taxable person which is used or intended to be used for activities relating to his obligations under corporate social responsibility as referred to in section 135 of the Companies Act, 2013. Previously the provision for the application of revocation or cancellation of registration was to be made within 30 days.
*(Source: Knowledge & News Network)*

## 5. PLI SCHEME: GOVT MAY CONSIDER LOWERING ELIGIBILITY NORMS TO PUSH MANUFACTURING IN TIER-2 AND TIER-3 CITIES

To encourage manufacturing activity in smaller cities and towns, the government is likely to consider the option of lowering the minimum investment and turnover criteria under the ₹1.97 lakh crore Production Linked Incentive (PLI) scheme in Tier-2 and Tier-3 cities in sectors such as textiles, where second edition of the scheme are being drafted, and also some new sectors, like toys and furniture, which may get incorporated, according to sources. “In the review meeting for PLIs that is being convened by Commerce and Industry Minister Piyush Goyal next week, the proposal for lower eligibility criteria for investments in Tier 2 and Tier 3 cities made by several industry sectors is likely to be taken up for consideration,” a source tracking the matter told *businessline.* All stakeholders, including representatives from line Ministries and Departments, the industry, Niti Aayog, and Project Management Agencies, will participate to give their assessment of the scheme so far and share suggestions on the alterations needed, the source said. The PLI scheme, announced in 2020 to attract investments in 14 sunrise and strategic schemes over a five-year period, has had a slow start, with disbursals of just ₹2,900 crore so far out of the corpus of ₹1.97 lakh crore. While a handful of sectors, such as large-scale electronics comprising mobile phones, pharmaceuticals, and food processing, are doing well, there are six sectors, including white goods, automobiles, auto parts, textiles, solar PV modules, and ACC batteries, where disbursals are negligible or yet to happen. “Industry representatives in certain sectors, including textiles and food processing, have been complaining about the high threshold levels of investments and turnover for eligibility as they are a disincentive for smaller investors. Lowering the thresholds for Tier-2 and Tier-3 cities could allow smaller investors to benefit from the scheme and also spread production activities and create employment across the country. This can be done in the new editions of the scheme, like the one being planned for textiles,” the source said. The option of offering lower eligibility criteria for Tier-2

and Tier-3 cities could also be considered for newer sectors with high employment potential that may be brought under the scheme, such as toys and furniture, the source added.
*(Source: Business Line)*