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NEWS CLIPPINGS

INTERNATIONAL NEWS

No	Topics
1	Chinese consumer no longer patronizing Nike and Adidas: Bloomberg
2	Russia-Ukraine crisis: Exporters fear fresh spike in shipping costs
3	US textile and clothing imports rebound during January-November 2021
4	Australia's Woolworths Group forecasts positive outlook for second half
5	Moody's raises India 2022 growth forecast to 9.5%
6	Tunisia's jeans exports to the US surge 69.4 per cent
7	Pakistan's APTMA appreciates government initiatives to boost economy
8	Cambodia to launch new development strategy for garment sector

	NATIONAL NEWS
1	Goods exports may cross lofty $400-bn target in FY22: Piyush Goyal
2	Financial institutions need to be more people centric for next 25 years: FM Nirmala Sitharaman
3	Support each other in manufacturing, promote local firms: Piyush Goyal to domestic businesses
4	Russia-Ukraine crisis to impact India's trade in that region as movement affected: Exporters
5	Government efforts leading to greater employment generation in country: Piyush Goyal
6	Indo-UAE CEPA to come into effect in one month: Envoy
7	More measures likely to curb fake invoices under GST
8	E-commerce rules: Officials from DPIIT, consumer affairs to meet on Friday
9	North Indian cotton yarn prices turn bearish amid global uncertainty

INTERNATIONAL NEWS

Chinese consumer no longer patronizing Nike and Adidas: Bloomberg

As per a new analysis by Bloomberg, Chinese consumers are no longer patronizing Nike and Adidas like they used to, a trend that is purportedly driven by nationalistic rejection of forced labor accusations against the country.

In the last few years, China has faced accusations of human rights abuses in the region, with critics claiming that the nation's "re-education" centers are actually prisons in practice.

In January 2021, former President Donald Trump banned all cotton imports from Xinjiang, as well as products made from the material, and declared that China was committing a "genocide."

Based on the in-depth analysis by Bloomberg, the cotton controversy, as of last March, appears to have escalated based on both resurfaced and new statements made by several Western brands, which all denounced the alleged forced labor in Xinjiang to varying extents. Those brands include H&M, Nike, Adidas, Converse, Burberry, Zara, Hugo Boss and Gap, etc.

The new analysis shows that the fallout — at least for Nike and Adidas — was instant, as both brands lost the largest shares in China's sneaker market to local competitors.

Source: fashionatingworld.com om– Feb 24, 2022

HOME

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Russia-Ukraine crisis: Exporters fear fresh spike in shipping costs

Russia's military action in Ukraine has threatened to further drive up the already-elevated global shipping costs and exacerbate supply-side challenges, exporters told FE. If the conflict lingers on, it can potentially jeopardise prospects of international trade and slow down the pace of India's export growth, unless the government steps in to soften the blow, some of them said.

The latest spike in crude oil prices and a potential rise in insurance charges will inflate global shipping costs and have a sobering impact particularly on dry-cargo despatches. International brent crude oil prices topped $105 per barrel, the highest since 2014, in intraday trade on Thursday.

Global freight rates started surging at a fast pace in the aftermath of the Covid outbreak in 2020 and hit a peak of $10,377 per 40-ft container in late September 2021, according to Drewry's composite World Container Index. The rates started easing thereafter to $9,051 as of February 12 before inching up again to $9,477 by February 24. The index has now gone up by 81% from a year before.

"More than our exposure to the Russian market, the high freight cost and container shortages will give India a greater trouble if the crisis escalates and continues for a longer period," a major garment exporter said.

Ajay Sahai, director general and CEO at apex exporters' body FIEO, however, highlighted that shipping costs have gone through the roof across the globe and India isn't an outlier.

Sahai said the precise impact of the current crisis on India's trade can be gauged only after the exact nature of western sanctions on Russia is clear. He said a wind-down period should be available in the sanctions announced by the Office of Foreign Assets Control (OFAC) of the US to take care of transactions in the pipeline.

Separately, FIEO president A Sakthivel said shipments which are at the ports or in the voyage should be cleared at the earliest and the government should sympathetically consider compensating exporters for any losses to be incurred by them, either during transit of goods or in payment.

India's exports to Russia grew 36% on year until December this fiscal to $2.55 billion but its imports jumped 81% to $6.89 billion, leading to a trade deficit of $4.34 billion for New Delhi. India mostly buys petroleum products, diamonds and other precious stones and fertilisers from Russia. Similarly, it ships out capital goods, pharmaceutical products, organic chemicals and auto parts to Moscow.

Ensuring reasonable shipping costs remains crucial to realising India's lofty merchandise export target of $1 trillion by FY28. Exorbitant shipping costs hurt mainly small and medium exporters. The country's exports rebounded strongly this fiscal, after a pandemic-induced slump last year, and are likely to cross a record target of $400 billion.

Source: financialexpress.com – Feb 25, 2022

HOME

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US textile and clothing imports rebound during January-November 2021

US textile and clothing imports, which had declined in 2020, rebounded sharply during January-November 2021, notes a Textileintelligence report by Innovation in Textiles. US textile and clothing production and exports also rebounded during the period. US' imports of textile and clothing from Argentina had declined sharply in 2020. However, there was significant rebound during January- September 2021. Textile and clothing production, imports and retail sales in the country had also declined in 2020 but rebounded from January-September 2021.

Imports from Brazil improved significantly during January-October 2021. Also, textile and clothing production in the country improved in 2020 and during January-November 2021. However, its textile and clothing imports declined in 2020 before rebounding again January-October 2021. Colombia's textile and clothing exports to the US also rebounded sharply during January-November 2021. Mirroring these trends, textile and clothing production also increased during the period.

A similar trend was noted in Mexico whose textile and clothing exports rebounded during January-October 2021. The country's textile and clothing production also rebounded sharply during January-October 2021.

Source: fashionatingworld.com– Feb 23, 2022

HOME

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Australia's Woolworths Group forecasts positive outlook for second half

After beating first-half profit estimates, the Woolworths Group forecasts improved financial performance in the second half. The supermarket brand has benefited from people stocking up essentials during the various stages of lockdowns. In the first half of this fiscal year, Woolworths' profit after tax from continuing operations declined to A$795 million from A$850 million a year earlier. However, it was better than the estimated profit compiled by Visible Alpha of $746 million,

Surging COVID cases also drove up Woolworths' costs during the first half as its frontline, warehouse and delivery staff was forced to isolate. This also limited its ability to restock shelves. . Overall, company incurred A$239 million in COVID-related costs during the first half. Most of this was spent on its stores' distribution centres as well as supply chain disruptions.

However, curbs due to the Omicron variant caused sales in the food segment to surge by upto 5 per cent in the first seven weeks of 2022.

Source: fashionatingworld.com om– Feb 24, 2022

HOME

****

Moody's raises India 2022 growth forecast to 9.5%

Global rating agency Moody's on Thursday revised up its real growth forecast for India to 9.5% for the calendar year 2022 from 7% predicted earlier but it flagged elevated oil prices and supply distortions as a potential drag on growth. It retained its 2023 growth forecast for India at 5.5%.

Brent crude oil prices crossed $105 a barrel in intraday trade on Thursday, the highest since 2014, in response to Russia's attack on Ukraine.

Moody's also raised its growth projections to 8.4% for the next financial year starting April 1 (from 7.9% reported earlier) and to 6.5% for FY24. "The speed of the recovery from the first lockdown-led contraction in Q2 of 2020, and subsequently in Q2 of 2021 during the Delta wave, was stronger than expected, and the economy is estimated to have surpassed the pre-Covid level of GDP by more than 5% in the last quarter of 2021. Sales tax collection, retail activity and PMIs suggest solid momentum. However, high oil prices and supply distortions remain a drag on growth," the agency said in a statement.

Just like the case in many other countries, the recovery in India is lagging in contact-intensive services sectors, but it should pick up as the Omicron wave wanes, Moody's said.

The country is on its way to normalcy, as most of the remaining restrictions are now being lifted with the improvement in the Covid situation, including the reopening of schools and colleges across various states, it said.

"Our 9.5% growth forecast for 2022 assumes relatively restrained sequential growth rates; thus, there is upside potential to the growth rate. We estimate the carry-over from a strong finish to 2021 will add 6-7% to this year's annual growth," according to the statement.

With a 36% hike in allocation to capital expenditure to 2.9% of GDP, the Budget for FY23 prioritises growth. The government hopes that it will crowd in private investment and given the fact that the RBI has left interest rates unchanged at its February meeting, monetary policy remains supportive, Moody's said.

Source: financialexpress.com– Feb 25, 2022

HOME

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Tunisia's jeans exports to the US surge 69.4 per cent

Tunisia's jeans exports to the US increased by 69.4 per cent in volume and 84.3 per cent in value in 2021 compared to 2020, with 366 thousand pieces worth $9.33 million. The average price of Tunisian Jeans trousers increased 8.77 per cent to $25.5 in 2021, as per an analysis by the Textile Technical Centre (CETTEX). As per an African Manager report, US' jeans imports grew 31.8 per cent in volume and 30 per cent in value in 2021. Imports from Bangladesh, Mexico, Vietnam, China, Pakistan and Cambodia covered 80 per cent of the US market share in jeans.

The textile and clothing sector in Tunisia can benefit from the US market provided it abolishes the customs duties of 17 per cent. On signing a preferential agreement, the sector could get 3 per cent of the total US market share of jeans and generate a positive dynamic of exports and of job creation. Value of exports is likely to increase to $108 million while volume will increase to 3.67 million. This will create almost 15,000 direct jobs and 22,500 indirect jobs.

Source: fashionatingworld.com – Feb 23, 2022

HOME

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Pakistan's APTMA appreciates government initiatives to boost economy

All Pakistan Textile Mills Association (APTMA) has appreciated the government for its initiatives to boost Pakistan's economy. As per a Global Village Space report, the Pakistan government recently approved the Textiles and Apparel Policy (TAP) 2020-25 to double Pakistan's exports to $42 billion.

According to APTMA, the textile policy will encourage investments in Pakistan. It will create more employment opportunities and develop new markets. On the other hand, the WACOG Bill will bring sustainability to the gas sector. Meanwhile, Pakistan's continued GSP status improved the country's exports levels.

As per Abdul Razak Dawood, Advisor to the PM,the policy gives Pakistan's textile industry internationally competitive electricity and gas rates. The parliament also passed the amended Weighted Average Cost of Gas (WACOG) Bill to ensure Pakistan's energy security. The bill is expected to improve the pricing structure, remove anomalies and enhance supplies of imported gas.

Moreover, textile units in Pakistan are incurring power and energy costs 2. 4 percentage points more than India and 7.8 percentage points higher than Bangladesh.

Source: fashionatingworld.com– Feb 23, 2022

HOME

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Cambodia to launch new development strategy for garment sector

The Cambodian government plans to launch a new development strategy to transform its garment trade into a dynamic, diversified, high-value and competitive sector, says Phan Phalla, Secretary of State, Ministry of Economy.

Phalla adds, the sector can produce better goods and command higher prices by upskilling workers. Vongsey Vissoth, Permanent Secretary of State, Ministry of Finance adds, to achieve significant growth for the economy, the garment sector needs to implement the development strategy. The strategy will also help increase the number of domestic investors, he adds.

Kaing Monika, Deputy Secretary General, Garment Manufacturers Association says, the strategy can serve as a clear roadmap for the sector on how to retain its competitive edge. It should emphasize on the labor sector and focus on improving workers' well-being, productivity, professional relations and skills development, he adds.

Cambodia exported nearly $8.83 billion worth of garments, footwear and travel goods in the first 10 months of 2021, up by more than a tenth year-on-year, according to data posted by GMAC. Broken down by category, exports of garments, footwear and travel goods totaled $6.538 billion, $1.113 billion and $1.179 billion, respectively.

Source: fashionatingworld.com– Feb 23, 2022

HOME

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NATIONAL NEWS

Goods exports may cross lofty $400-bn target in FY22: Piyush Goyal

Merchandise exports will exceed $30 billion for an 11th straight month in February, commerce and industry minister Piyush Goyal said on Thursday, adding that outbound shipments can potentially cross even the ambitious target of $400 billion set for the current fiscal.

Addressing industry executives virtually at a CII event, Goyal said goods exports already hit $25.3 billion in the first three weeks of February, up 26.4% from a year before and 26.7% from the pre-pandemic (same period in FY20) level. The exports stood at $336 billion until January this fiscal.

Merchandise exports had shrunk 7% in FY21 from a year earlier to $292 billion in the wake of the pandemic. However, global demand for goods improved dramatically this fiscal following an industrial resurgence in advanced economies.

Similarly, services exports will likely scale a fresh peak of $250 billion this fiscal, the minister said, adding that robust growth in this sector prompted his ministry to revise the targets for FY22 twice from the initial goal of $225 billion. Services exports were to the tune of $206 billion in FY21.

The minister said the national single-window system, which aims to become a "one-stop shop" for investors to apply for various approvals and make it easier for them to set up units, has already onboarded 20 central government departments and 14 states/Union territories. The 'know-your-approval' portal of the single-window system has listed a total of 3,439 approvals, 2,895 of which are typically granted by states. "We are committed to a seamless and simple approval process," he said.

As India prepares to get into a raft of free trade agreements (FTAs) this year and next, Goyal said while the government will try its best to ensure that the pacts don't harm interests of domestic industry, some amount of give and take in trade negotiations is always inevitable. At the same time, he asked industry to take advantage of the ample opportunities that are set to come its way due to the FTAs. India last week signed the comprehensive economic partnership agreement with the UAE, its first such FTA with any economy in over a decade.

Goyal asked industry to identify the regulatory processes that can be eased further. The government has simplified the need for more than 24,500 compliances and decriminalised as many as 750 offences to reduce India Inc's compliance burden and promote ease of doing business, he said.

As many as 10 start-ups turned into unicorns in just 53 days of 2022, Goyal said, highlighting the improving business climate in the country. A record 42 start-ups grew into unicorns in 2021 alone.

Source: financialexpress.com – Feb 24, 2022

HOME

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Financial institutions need to be more people centric for next 25 years: FM Nirmala Sitharaman

Observing that there is definitely a reshaping of the economy taking place post-COVID, she said people are now opting for entrepreneurship.

Finance Minister Nirmala Sitharaman on Thursday exhorted financial institutions like Sidbi to be more people-centric in the next 25 years so that the economy moves to a higher growth path. The government has termed the next 25 years leading to the 100thanniversary of India's independence as 'Amrit Kaal'. "So for the next 25 years, we(financial institutions) have to be a lot more people centric. Try to see what they want..."It will attract people belonging to that (backward) region to be drawn back and if we can give them a perspective, which is good enough, I think we will be addressing a major problem related to human resource and also awaken those capacities which are lying dormant in the regions," she said while addressing the 3rd National Microfinance Congress here. Many of the states have lot of current account and savings account (CASA)funds which are not effectively deployed in those regions because there are no big businesses, she said. As a result, she said, impression that one gets is that CASA funds from those states move to business-rich areas which can absorb that kind of money.

Now that gradually can lead to a situation where our savings are not being used for our business, entrepreneurship development," she said. It should be the job of institutions like the Small Industries Development Bank of India (Sidbi) to spur credit growth and help develop the entrepreneurship ecosystem in backward regions, she added. Observing that there is definitely a reshaping of the economy taking place post-COVID, she said people are now opting for entrepreneurship. Citing the example of the 'One District, One Product' cheme, she said it is taking off very well. The main philosophy behind the scheme is to select, brand and promote one product from each district which is unique to that district, which will boost employment and contribute to growth.

Source: economictimes.indiatimes.com – Feb 24, 2022

HOME

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Support each other in manufacturing, promote local firms: Piyush Goyal to domestic businesses

Commerce and Industry Minister Piyush Goyal on Thursday called on domestic businesses to look at ways and means to support each other in manufacturing and promote local firms like companies do in South Korea and Japan.

Suggesting three points, the minister said Korea and Japan do not import Indian steel and purchase steel from their own players.

"I think there is a need for shared responsibility among companies to address social and environmental challenges and support each other in domestic manufacturing. Look at Korea, they just do not allow Indian steel manufacturer to export to Korea, that's the nationalistic spirit there," he said while addressing the CII Manufacturing Conclave 2022.

Goyal added that Japanese companies do not allow Indian steel in Japan and they will buy a USD 100 per tonne costlier steel but local Japanese steel.

"Many of you may have faced such barriers that are not government barriers that even I cannot fight 'G2G' (government to government). But, it comes out of the spirit of nationalism.

"I think we in India also should look at ways and means to support each other, encourage each other and promote our own domestic brothers and sisters," he said.

Goyal also suggested big companies to integrate with MSMEs and ensure timely payment, and train young minds to get into manufacturing.

Talking about the National Single Window System (NSWS), he expressed "disappointment" that businesses are not using this platform adequately.

"When I see the number of people who have registered or people who are taking approvals on it (NSWS,) I get a little disappointed," he said, urging the industry to use the platform and suggest where they are facing problems.

On exports, he said it would cross USD 400 billion this fiscal.

He expressed confidence that in February, exports would be over USD 30 billion.

“We do have international geopolitical uncertainties as we see today on the Ukraine-Russia crisis, but I am very confident that India will play an increasingly important role in the revival and restoration of international economies in the years ahead,” Goyal said.

He also expressed hope that the services exports may touch USD 250 billion this fiscal.

“Looking at the growth on both sides, services will catch up faster and by 2030, India should aspire for trillion dollars of merchandise exports and a USD 1 trillion of services exports,” Goyal added.

Meanwhile, the minister also help a review meeting of Steering Committee on Advancing Local value-add and Exports (SCALE) and he emphasised that these efforts are leading to greater employment generation in the country.

During the meeting, Goyal highlighted the need for exploring innovative ways to increase local value add in critical sectors of manufacturing amid existing disruptions in the worldwide value chain. This will enhance the presence of India in emerging global value chains.

Industry and exports representatives from various sectors, including auto components, white goods (ACs, electronics and TV), semiconductor manufacturing, plastics, furniture, bicycles and e-cycles, batteries, leather and footwear, and fisheries participated in the deliberations.

Source: financialexpress.com – Feb 24, 2022

HOME

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Russia-Ukraine crisis to impact India's trade in that region as movement affected: Exporters

The Russia-Ukraine military conflict may have an implication on the country's trade in that region as it would affect the movement of consignments, payments and oil prices, according to exporters.

The Federation of Indian Export Organisations (FIEO) said they have asked exporters to hold their consignments to the region or goods that take the Black Sea route.

To Russia, Ukraine and other eastern European countries, goods move from the Suez Canal and the Black Sea, FIEO Director-General Ajay Sahai said.

He added that the quantity of impact on trade will depend on the duration of the war.

"This is a major setback to trade as it was recovering from the COVID-19 pandemic. Exporters are cautious in dealing with their trade in that region. The war will affect both movement of goods, payments and oil prices," Sahai said.

Mumbai-based exporter Sharad Kumar Saraf said the current crisis will affect the country's exports as the West is imposing sanctions on Russia.

The situation in Ukraine deteriorated after Russian President Vladimir Putin announced a military operation in Ukraine, triggering serious concerns over the possibility of a full-scale military confrontation between the two countries.

Following Putin's announcement, Ukrainian President Volodymyr Zelensky said an "invasion" could be the beginning of a "big war" in Europe.

Bilateral trade between India and Russia stood at USD 9.4 billion so far this fiscal, against USD 8.1 billion in 2020-21.

India's main imports from Russia include fuels, mineral oils, pearls, precious or semi-precious stones, nuclear reactors, boilers, machinery and mechanical appliances; electrical machinery and equipment and fertilisers. While major export items from India to Russia include pharmaceutical products, electrical machinery and equipment, organic chemicals and vehicles.

India's bilateral trade with Ukraine stood at USD 2.3 billion so far this fiscal, as against USD 2.5 billion in the last fiscal. Main items of Indian import from Ukraine are agriculture products, metallurgical products, plastics and polymers, etc., while pharmaceuticals, machinery, chemicals and food products, etc., are the major Indian exports to Ukraine.

FIEO Vice-President Khalid Khan said that if the military operations continue for long time, it will have serious implications for exports to and imports from that region. "Oil and gas prices will zoom, there could be payment delays for traders," he said.

Stock markets were awash in red and the Indian currency slumped against the dollar on Thursday amid Russia's attack on Ukraine pushing investors to seek refuge in safe-haven assets.

Biswajit Dhar, professor at the Jawaharlal Nehru University, said the conflict will impact oil and gas prices and it could have inflationary implication in the global economy.

"As all the economies are interconnected, the war would have implications on the Indian economy as well," Dhar said.
Kolkata-based marine exporter Yogesh Gupta said this is a worrisome situation for global trade. Sanctions mean counter sanctions leading to the crisis in availability of goods and services.

"India will be equally impacted, as the movement of goods will become difficult. A war-like situation will put huge pressure on oil prices, and India is vulnerable to its oil import bills," Gupta said.

Plastics Export Promotion Council of India (PLEXCONCIL) Chairman Arvind Goenka said India's plastics exports to Ukraine and Russia are in the range of only USD 100-120 million annually but plastics imports are much higher.

Exports comprise both plastic raw materials and value-added plastic products whereas imports are for raw materials mainly, Goenka added.

"If, due to sanctions, India and Russia enter into rupee trade business, it can boost exports of value-added plastics and imports of polymers," Goenka said.

FIEO President A Sakthivel said that the US sanctions on Russia have added to the uncertainty for exporters.

"We are advising exporters to wait and watch as the exact implication of banking and financial sanctions needs to be evaluated," he added.

He hoped that the wind-down period will be available in the OFAC sanctions so as to take care of transactions in the pipeline.

Sakthivel, however, requested that the shipments that are at the ports or in the voyage be quickly cleared and the loss to exporters, either during transit or in payment, be sympathetically considered by the government.

Source: financialexpress.com – Feb 24, 2022

HOME

****

Government efforts leading to greater employment generation in country: Piyush Goyal

Union Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Piyush Goyal on Thursday, said that the industry has responded well to the multiple interventions by the Government to enhance Local Value Addition which has benefitted not only the large industries but also the MSMEs. Chairing a review meeting of the Steering Committee on Advancing Local value-add and Exports (SCALE) here today, he emphasised that these efforts are leading to greater employment generation in the country.

During the meeting, Goyal highlighted the need for exploring innovative ways to increase Local Value Add in critical sectors of Manufacturing amidst existing disruptions in the worldwide value chain. This will enhance the presence of India in emerging global value chains, he added. Industry and exports representatives from various sectors including Auto Components, White Goods (ACs, Electronics & TV), Semiconductor Manufacturing, Plastics, Furniture, Bicycles & e-cycles, Batteries, Leather & Footwear and Fisheries participated in the deliberations.

MoS (Commerce & Industry) Som Parkash, Secretary, DPIIT, Anurag Jain and Rajiv Singh Thakur, Additional Secretary, DPIIT participated in the meeting.

Source: devdiscourse.com– Feb 24, 2022

HOME

****

Indo-UAE CEPA to come into effect in one month: Envoy

Ambassador extraordinary and plenipotentiary of the UAE embassy in India, Ahmed Abdul Rahman Albana said at a session organised by Merchant Chamber of Commerce that the bilateral trade between the two countries which was USD 185 million in 1980 has grown to USD 45 billion in 2021.

The proposed Comprehensive Economic Partnership Agreement (CEPA) between India and UAE will come into effect in one month, an envoy of the Emirates said on Thursday. Ambassador extraordinary and plenipotentiary of the UAE embassy in India, Ahmed Abdul Rahman Albana said at a session organised by Merchant Chamber of Commerce that the bilateral trade between the two countries which was USD 185 million in 1980 has grown to USD 45 billion in 2021. "The CEPA between the two countries will come into effect in next one month", Albana said and invited Indian companies to his country to invest in areas of manufacturing, defence, food processing and healthcare.

He said the UAE government provides golden visa, green visa and entrepreneur visa to foreign citizens to live, work and study in the country. Albana also identified leather, IT, artificial intelligence as the sectors in which UAE and West Bengal can work together.

Source: economictimes.indiatimes.com– Feb 24, 2022

HOME

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More measures likely to curb fake invoices under GST

Finance Ministry is considering more measures to curb the malice of fake invoices under Goods & Services Tax (GST). Tax sleuths have unearthed around 60 bogus firms recently in the National Capital Region alone involved in issuance of fake invoices over ₹800 crore.

As per Section 132 of CGST Act 2017, issuance of an invoice or bill without supply of goods or services and wrongful availing or utilization of Input Tax Credit is a cognizable and non-bailable offence if the amount is over ₹5 crore. The law prescribes a registered person to declare his supply in return form, GSTR 1 and accordingly pay his tax liability with the filing of return form GSTR 3B. This helps the recipient to avail input tax credit (ITC) on supplies declared by his suppliers in their GSTR-1 and in respect of which tax has been paid.

Move to curb fake invoices

The latest move to curb the menace of fake invoices was implemented from January 1 this year, when it was said that if a monthly filer has not filed the GSTR-3B for the preceding month, then such a taxpayer will not be allowed to file the GSTR-1 for the subsequent month, till the GSTR-3B for the preceding month is filed. For monthly fliers, GSTR 1 and GSTR 3B for the previous months need to be filed by 11 th and 20 th day of successive months.

Now, the indication is that the effort is to initiate the action within the month itself, i.e., after due date for GSTR 3B is over. This indication was given by Revenue Secretary Tarun Bajaj in a press conference recently when he was responding to question in curbing fake invoices. He signaled that after measure to block sequential filing, work is in progress to act much faster and details of that action will be presented soon.
'Relying on data analytics'

Experts see real time action with the help of technology. Harpreet Singh, Partner with KPMG in India says: "The tax authorities are relying more and more on data analytics and tax technology to ensure compliance and initiate proceedings on real time basis. With data analytics, handy dashboards are now available with a click of a button on computers and mobile phones of officers, which can help them analyze trends and identify exceptions to take immediate action."

Samir Kapadia, Partner – Indirect Tax, Nangia Andersen LLP, said that blocking the facility to upload GSTR-1 and GSTR-3B is one more measure in this direction. But, he does not think it is a silver bullet because, factually if anyone needs to issue a fake invoice he doesn't need to upload any returns, all he needs is someone else's GSTIN details. He can continue to issue fake invoices irrespective of the fact that his facility to upload returns is blocked. Furthermore, experience under the VAT regime has shown that this tool was more disruptive rather than being effective.

"Consequently, adequate safeguards are required from the government to ensure that genuine business activities are not disrupted due to short delays or inadvertent omissions in uploading returns and habitual defaulters are taken to task. Apart from this, the Government should make use of the new AIS report coupled with the big data tools in identifying trends and instances and use its existing powers such assessment of non-filers and auto recovery, penalizing and prosecuting defaulters and persons abetting them. Steps in this direction demonstrate that there is no escape for such defaulters," he said.

Source: thehindubusinessline.com – Feb 24, 2022

HOME

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E-commerce rules: Officials from DPIIT, consumer affairs to meet on Friday

Top officials from the Department of Consumer Affairs and the Department for Promotion of Industry and Internal Trade (DPIIT) are set to meet on Friday to align the proposed policy and rules to regulate the e-commerce space in the country.

Secretary consumer affairs Rohit Kumar Singh and industry department's secretary Anurag Jain are expected to discuss how the e-commerce policy prepared by DPIIT has shaped up. "The proposed amendments in the consumer protection rules for etailers will also have to be in line with that, while ensuring that there is no overlap," a senior government official told Business Standard.

The consumer affairs ministry has completed consultation with top ecommerce companies, industry associations and other relevant stakeholders. "But we are also taking the views of NGOs, as the rules are consumer-centric," the official cited above said. The department is likely to dilute some clauses of the draft e-commerce rules aimed at consumer protection after key government departments, as well as top ecommerce players raised concerns regarding the proposed amendments.

The consumer affairs ministry had in June last year proposed a set of guidelines for etailers including ban on flash sales or sale of goods at significantly reduced prices. The guidelines also gave preference to locally produced goods. Industry representatives and government departments were critical of the guidelines, arguing that investor sentiment would be hurt. The final rules' main focus will be protecting the interests of consumers.

As far as DPIIT's e-commerce policy is concerned, the department has circulated the latest draft policy to other government departments and ministries for consultation. Earlier, at least two drafts prepared by DPIIT could not become policy after some government departments opposed certain clauses.

Source: business-standard.com– Feb 25, 2022

HOME

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North Indian cotton yarn prices turn bearish amid global uncertainty

With the Russia-Ukraine war adding to uncertainty in the global market, prices of cotton yarn turned bearish in north India's markets of Ludhiana, Delhi and Panipat. As traders and downstream industry exercised utmost caution while buying, prices of cotton yarn declined by ₹5-10 per kg. This was despite the ICE cotton price going up last night.

"The already sluggish demand weakened further as the entire textile sector is facing uncertainty. Spinning mills have reduced their offerings by ₹10 per kg as they are witnessing weaker buying interest. Carded yarn is facing more pressure as it is more domestic market centric variety," SK Shrivastava, a Delhi-based trader told Fibre2Fashion.

According to market sources, buyers are waiting to assess the impact of recent geo-political developments. Since they do not want to take any risk, they are not eager for new buying.

In Delhi, cotton yarn of 30 count combed was traded at ₹370-380 per kg, 40 count combed at ₹400-410 per kg, 30 count carded at ₹345-355 per kg and 40 count carded at ₹360-365 per kg, according to Fibre2Fashion's market insight tool TexPro. 10 count weaving (O/E) yarn was quoted at ₹120-125 per kg, while 16 count weaving (O/E) at ₹160-165 per kg.

A trade source from Ludhiana said that traders were expecting some movement as the voting for the state assembly is over, but the international situation has become a serious factor which can impact market dynamics. Therefore, fabric manufacturers are following wait and watch policy, and will plan their business activities after evaluating the impact of the current Ukraine crisis.

In Ludhiana, cotton yarn of 20 and 30 counts in combed variety were traded down by ₹10 at ₹350-360 per kg and ₹365-375 per kg respectively. Carded yarn in 30 counts was quoted at ₹350-360 per kg, as per TexPro.

In Panipat, cotton yarn prices were recorded as: 10s recycled yarn (white) at ₹90-95 per kg, 10s recycled yarn (dyed) ₹90-100 per kg, and 20s recycled yarn (dyed) ₹100-125 per kg. 10s optical yarn was traded at ₹90-100 per kg in the market. 10s recycled yarn (White) was down by ₹5 per kg, but other varieties of recycled yarn were traded steady.

In the global market, ZCE cotton yarn May 2022 futures traded higher by CNY 60 at CNY 28,395 per ton and September 2022 traded up by CNY 210 at CNY 28,035 per MT today. ZCE cotton March gained CNY 50 to CNY 21,780 per MT and May contract traded down by CNY 15 to CNY 21,290 per MT.

ICE cotton futures rose on Wednesday, supported by rise in the grain markets, while investors were cautious of rising Russia-Ukraine tensions. Cotton contract for March 2022 closed at 122.4 cents, up 129 points; May 2022 closed at 121.3 cents, up 101 points; while December 2022 closed at 102.48 cents, up 82 points. According to trade analysts, the market just moving sideways and was trading relatively quietly as everyone is observing the situation in Ukraine.

Meanwhile, cotton prices remained stable in the north Indian markets on Thursday amid limited demand from mills, while daily arrivals dropped. Cotton prices witnessed decline trend in last two trading sessions. Today, In Punjab, cotton was quoted at ₹74,400-75,200 per candy of 356 kg. In Haryana, cotton was traded at ₹71,800-73,800 per candy. In Upper Rajasthan, the prices were hovering at ₹76,000-76,400 per candy. In Lower Rajasthan, cotton was sold at ₹71,400-73,400 per candy.

Source: fibre2fashion.com– Feb 24, 2022

HOME

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