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1. **TEXTILES MINISTRY TO APPROACH GST SECRETARIAT FOR RESTORATION TO 5% RATE**

Union Ministry of Textiles, after receiving inputs from industry associations, has now decided to approach the GST secretariat seeking restoration of the rate .. “The industry is of the view that textile fabric manufacturers or fabric weavers will see a significant rise in their working capital requirements due to the disparity, as raw material will be taxed at 5 percent and the finished product will be taxed at 12 percent. So, they are seeking a restoration of the old rate of percent,” the source was quoted as saying by the report. Officials told that, “The textiles ministry is opposed to the rate hike and feel . that the industry needs relief. Any decision which adds to their troubles needs to be flagged. So, our communication to the GST secretariat is very clear -- maintain status quo on rates and make any change only after a detailed discussion with the ministry and the industry stakeholders”.

(Source: The Economic Times)

2. **TO PROVIDE RELIEF TO THE WORKERS RENDERED JOBLESS, CENTRE INTRODUCED TEXTILE WORKERS REHABILITATION FUND SCHEME (TWRFS)**

The Government had introduced Textile Workers Rehabilitation Fund Scheme (TWRFS) with effect from 15.09.1986 to provide relief to the workers rendered jobless due to permanent closure of Non-SSI Textile Mills in private sector. With effect from 01.04.2017, TWRFS has been merged with Rajiv Gandhi Shramik KalyanYojna (RGSKY) under Ministry of Labour and Employment and notified vide Notification No. S.O.1081 (E) dated 06.04.2017. Workers rendered jobless can avail benefits under the said scheme. With a view to address the skilled manpower requirement in textile sector, Ministry of Textiles is implementing Samarth (Scheme for Capacity Building in Textiles Sector), under the broad policy guidelines of “Skill India” initiative and in alignment with skilling programme of Ministry of Skill Development and Entrepreneurship. SAMARTH scheme supplements the efforts of creating jobs in the organized textile and related sectors of the entire value chain excluding Spinning and Weaving. SAMARTH scheme also supports skill upgradation in the traditional sectors of handlooms, handicrafts, sericulture and jute.

(Source: Orissadiary.com)

3. 100% SUBSIDY IS GUARANTEED FOR WOMEN WEAVERS FOR INDIVIDUAL WORKSHED CONSTRUCTION

The financial assistance is being provided to the eligible handloom agencies/weavers for raw materials, purchase of upgraded looms & accessories, design innovation & product diversification, infrastructure development, marketing of handloom products in domestic as well as overseas markets. Further, 100% subsidy is given to women weavers for construction of individual workshed. Kamladevi Chattopadhyay Award has been instituted specifically for women weavers. Mudra loans at concessional rates, and other measures adopted under various schematic interventions for handloom workers including women throughout the country including Telangana. To overcome the present challenges being faced by handloom workers, the Government has taken following steps Weaver Women welfare and to promote handloom sector across the country: -

- I. Approximately, 1.50 Lakh weavers have been on-boarded on the GeM portal. Steps have been taken to on-board weavers on Government e-Market place to enable them to sell their products directly to various Government Departments and organizations.
- II. 128 Handloom Producer companies have been formed in different States to enhance productivity, marketing capabilities and ensure better incomes,
- III. Under Concessional Credit/ Weaver MUDRA Scheme, financial assistance is provided as follows :
 - a. Margin money assistance
 - @ 20% of loan amount, subject to maximum of Rs.25,000/- per weaver'
 - 20% of loan amount, subject to maximum of Rs.20.00 lakh (@ Rs.2.00 lakh for every 100 weaver/ worker) per handloom organisation.
 - b. Interest subvention upto 7% for 3 years; and
 - c. Credit Guarantee on loans for 3 years
- IV. Design Resource Centres have been set up in Weavers' Service Centres at Delhi, Mumbai, Varanasi, Ahmedabad, Jaipur, Bhubaneswar, Guwahati and Kancheepuram, through NIFT with the objective to build and create design-oriented excellence in the Handloom Sector and to facilitate weavers, exporters, manufacturers and designers access design repositories for sample/product improvisation and development.
- V. To promote marketing of handloom products, Handloom Export Promotion Council (HEPC) has been organizing International Fairs in virtual mode. During the year 2020-21, 12 handloom fairs were organized in virtual mode. Besides, domestic marketing events were also organized in different parts of the country for the weavers to market and sell their products.

4. "INSOLVENCY AND BANKRUPTCY CODE (IBC), 2016 A "GAMECHANGER REFORM": SHRI PIYUSH GOYAL

The Union Minister of Commerce & Industry, Consumer Affairs & Food & Public Distribution and Textiles, Shri Piyush Goyal has termed the Insolvency and Bankruptcy Code (IBC), 2016 as a “gamechanger reform” that has been the most successful law in insolvency resolution in the country. Addressing the 5th Foundation Day function of the Indian Institute of Insolvency Professionals of ICAI (IIPI), he hoped the faster Insolvency Resolution enabled by the IBC will eventually pave the way for banks to bring down the ‘Cost of Credit’. “Since the enactment of IBC, India’s rank in ‘Resolving Insolvency’ indicator in World Bank’s Ease of Doing Business Report has seen a meteoric rise of 84 places! Our recovery rate has also dramatically improved from 26 (cents on dollar) to 71.6 (cents on dollar),” he said. Shri Goyal said the IBC has brought about a marked shift in attitudes of lenders & borrowers, acting as an effective deterrent against unscrupulous borrowers and imparted banks the tool to follow due diligence and confidence about recovery. The Minister said, in view of the Covid crisis, the Government suspended the IBC for a year, from March, 200 to March, 2021. “This helped India bounce back much faster. The economy is doing well and five years down the line the outlook looks very, very bright.” Shri Goyal said the IIPI members are serving the nation’s interest by saving businesses and entrepreneurship in the country. “This has a big impact on ‘Saving Jobs and Reviving companies’ and by creating new banking opportunities.” Stating that the IIPI being the largest body of such professionals in the country, it has a fiduciary duty cast on its members and has a three-pronged roles to play, - legislative, executive and quasi-judicial. The Minister listed out five guiding principles for Insolvency professionals, - Integrity, Objectivity, Competency, Confidentiality and Transparency. He called upon the CAs to use technology in resolution of bad loans, look at new innovative ideas and set benchmarks.

(Source: pib.gov.in)

5. INDIA, US REACH SETTLEMENT ON 2% EQUALISATION LEVY

India and the United States have reached an agreement to settle differences relating to the 2% equalisation levy imposed by New Delhi on e-commerce operators. The settlement is broadly on the lines of the one reached under the Unilateral Measures Compromise reached among the UK, Austria, France, Italy and Spain with the US on October 21 this year. Under the agreement, India will continue to impose the levy March 31, 2024, or till the implementation of Pillar 1 of the OECD agreement on taxing multinationals and cross-border digital transactions. The US will terminate the trade tariff actions it had announced in response to the levy and will not take any further actions. "India and US have agreed that the same terms that apply under the October 21 joint statement shall apply between the US and India with respect to India's charge of 2% equalisation levy on e-commerce supply of services and the US' trade action regarding the said equalisation levy," the finance ministry said in a statement. It added that India and the US will remain in 'close contact' to ensure there is a common understanding of the respective commitments, and any further differences of views on this matter are resolved through constructive dialogue. The final terms of the agreement will crystallise by February 1, 2022, the ministry added. "Under this agreement, and consistent with and applying the same terms as the earlier agreements with Austria, France, Italy, Spain, the United Kingdom, and Turkey, in defined circumstances the liability from India's equalisation levy on e-commerce supply of services that US companies accrue in India during the interim period will be creditable against future taxes accrued under Pillar 1 of the OECD agreement. The period during which the credit accrues will, however, be from April 1, 2022 until either the implementation of Pillar 1

or March 31, 2024 (whichever is earlier)," the USTR said in a statement. As per the statement, the US will terminate the currently-suspended additional duties on goods of India that had been adopted in the DST Section 301 investigation. The statement added that USTR was proceeding with the formal steps required to terminate this Section 301 trade action and in coordination with Treasury, will monitor implementation of the agreement going forward. "The India-USA agreement on a transitional approach is beneficial to India as it can carry on with the present 2% levy with certainty until Pillar 1 takes effect," said Amit Maheshwari, tax partner at tax and consulting firm AKM Global. Once the OECD agreement rolls out, the 2% equalisation levy will have to be withdrawn. This applies to other countries as well that have imposed a similar tax. According to the terms agreed upon by five countries in the October 21 agreement, India will have to provide credit if collected tax over this period is more than it gets when the OECD regime rolls out for a similar period.

(Source: The Economic Times)

6. UP GOVT PLANS SECTOR-WISE INDUSTRIALISATION IN 12 DISTRICTS ALONG PURVANCHAL EXPRESSWAY

Barabanki, Amethi, Sultanpur, Jaunpur, Azamgarh, Ghazipur, Mau, Ayodhya, Gorakhpur, Ambedkar Nagar, Ballia and Sant Kabir Nagar districts have been identified for the Purvanchal Expressway Industrial Corridor project. The government has selected 12 districts along this expressway where region specific industries will be promoted. Lucknow with the formal opening of the 341-km-long expressway by Prime Minister Narendra Modi, the Uttar Pradesh government's next focus would be rapid industrialisation along this expressway. The government has selected 12 districts along this expressway where region specific industries will be promoted. These units will be specific to that region/district to ensure overall development of the region, said a senior official of the state government. The government has also decided to set up industrial parks along the expressway as part of its policy to bring up industrial parks along all e-ways. Being a land-locked state, transportation has been a major challenge for entrepreneurs investing in Uttar Pradesh. This is a major reason that the government is now preparing to develop industrial parks on the sides of expressways. "Investors have been demanding to set up industrial units along the expressways as this will provide proper connectivity to industries," said Manmohan Agarwal, senior vice-president, Indian Industries Association (IIA).

(Source: Hindustan Times)