

Paridhaan

a quarterly newsletter of AMHSSC



Corporate Social Responsibility (CSR) used to be a subject which the Corporates and the PSUs used to interpret as per their respective protocols. It was voluntary. Those who wanted to spend part of their earnings on social causes used to do so as per their sweet wish and ways. Came 2013 when CSR spent became mandatory and now organisations with turnover beyond specific levels are supposed to mandatorily spend 2% of their profit on CSR activities. So, earlier I could spend the CSR money on any project, which I used to deem fit but after the amendment in the Indian Companies Act, incorporated in 2013, organisations can now spend money as per set guidelines. Yesterday a project which I could have taken up under CSR spent may not be allowed as per

the new guidelines. The organisations are supposed to spend such funds which would, perhaps, be acceptable to the Income Tax authorities.

Just after the amendments in the Indian Companies Act were announced, the Govt of India formed a separate Ministry, namely Ministry of Skill Development and Entrepreneurship in 2014. The said ministry released a formal National Skill Policy 2015. Clause 6.13 of the said Policy mentions that out of the 2% of the Profits which the Corporates and PSUs are supposed to spend on CSR activities, minimum 25% must be spent on skilling activities either through the National Skill Development fund which is maintained by the Ministry of Skill Development or through respective Sector Skill Councils.

This way, the Government has made it amply clear that most of the CSR spent which the Corporates and PSUs spend need to be channelized for Skilling activities. This has been done to give boost to the 'Skill India' initiative by the Govt.

The Corporates and PSUs would no longer live in dilemma about the correct channel of spending their CSR spent and they can now spend the funds through NSDF or respective Sector Skill Councils. This can save them from their CSR spent being declared as 'Not allowed' by the Income Tax authorities. On the other hand this will take the 'Skill India' initiative of the Govt to newer heights. Simultaneously, the industry would also get immensely benefitted as they will get skilled manpower for their respective sector. This step of the Govt in encouraging the organisations to spend on skilling activities is a double edged measure which on the one hand would ease unemployment and on the other hand shall fulfill the demand of skilled manpower in the various sectors in the country.

–Dr. Roopak Vashistha, CEO, AMHSSC



AMHSSC Initiatives

Seminars / Workshops/Training Programs

Apparel Made Ups & Home Furnishings Sector Skill Council (AMHSSC) participated in the Job Mela in Deoghar on 1st April 2017, where the President Pranabh Mukherjee inaugurated a national skill exhibition, two new large scale driver training institutes(DTIs) in Dhanbad and Godda , and 35 Pradhan Mantri Kaushal Kendras (PMKK).



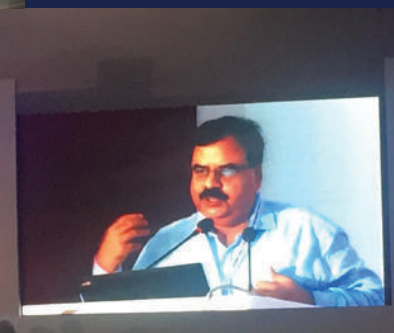
AMHSSC has signed an MOU with Tamil Nadu Skill Development Corporation(TNSDC)

Apparel Made Ups and Sector Skill Council (AMHSSC) signed an MOU with Tamil Nadu Skill Development Corporation(TNSDC) on 2nd May 2017. The MOU was signed by Ms Smritee Dwivedi Director Operations AMHSSC and Mr N Subbiayan IAS Managing Director TNSDC.



Exhibition & Job Mela Global Skills Employment Partnership Summit (GSEP)

Exhibition & Job Mela Global Skills Employment Partnership Summit (GSEP) on 1st June 2017 in Bhopal. Dr Roopak Vasishtha CEO & DG Apparel Made Ups and Home Furnishings Sector Skill Council attended this event.

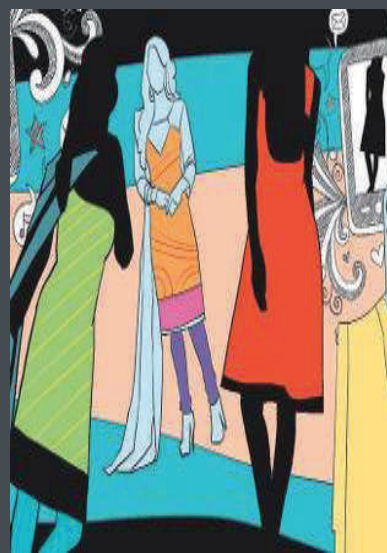


NTPC signed an MOU with the National Skill Development Fund (NSDF) to train the youth primarily under Apparel Sector

NTPC signed an MOU with the National Skill Development Fund (NSDF) and NSDC to undertake a project to train the youth primarily under Apparel Sector. A workshop was organized by AMHSSC on 12th June 2017 in AMHSSC office in this regard where associated Training Partners were also invited.

Apparel Sector Skill Council signed an MOU with Assam Skill Development Mission on 16th June 2017 in Gauwahati. The MOU was signed by Ms Smritee Dwivedi Director Operations, AMHSSC and Mr Anand Prakash Tiwari, IPS MD, ASDM.





GST will trigger growth & expansion of value retail segment

New Delhi: The government's decision to charge Goods and Service Tax (GST) of 5% for apparel priced below Rs 1,000 could boost value retail segment, helping the retailers to expand aggressively.

"Textiles and apparels are essential needs of consumers. Both these sectors have labour intensive manufacturing. Under GST for the first time, the entire value chain of textiles and apparels will be taxed. With available input credits under GST, price may come down, enabling volume growth," said Rakesh Biyani, joint managing director, Future Retail which operates value retail formats such as Big Bazaar, FBB among other.

Experts feel lower rates for apparel will prompt companies to introduce more product lines below the Rs 1000 price threshold, growing the value fashion category.

"Moderate GST rates will further improve the profitability of fashion dominant retailers," Arvind Singhal, chairman at consulting company Technopak

But the impact won't be immediate.

Dubai based Landmark group promoted value retail chain Max Fashion's executive director said the GST will impact after two years since production has already been completed for the incoming stock.

"The next 3-4 years is going to be very optimistic for value fashion," said Vasanth Kumar, executive director, Max Fashion.

<http://retail.economictimes.indiatimes.com/news/apparel-fashion/apparel/gst-will-trigger-growth-expansion-of-value-retail-segment/59285936>

Which segment within the textile supply chain is the weakest? And what can be done to boost it?

Fabric and processing are the weakest segments of the value chain. However, need is to provide end to end solution for the entire value chain. Global brands like PVH, H&M, GAP etc see India's end to end ecosystem as one of our value propositions in replacing China. In order to strengthen the value chain, synthetics industry needs support in the form of GST neutral rates for cotton/MMF; synthetic fiber should be available at international rates, power cost rationalization; global competitiveness, drawback scheme similar to China under GST; adjust export drawback in the interim to reflect state taxes (depends on final drawback rates notified by Government); capital cost rationalization.

<http://www.businesstoday.in/current/economy-politics/apparel-industry-is-shifting-base-from-china-creating-a-potential-market-of-280-billion-for-other-countries-ratika-jain-of-ci/story/244953.html>



ATDC to expand in Gujarat for growth of apparel industry

For the growth and development of apparel industry, the Apparel Training and Design Centre (ATDC) will expand its footprint by opening a new centre and a regional training hub at Ahmedabad/Gandhinagar. The aim is to fulfill the steadily expanding requirement of the skilled youth in the rapidly developing textile related sectors in Gujarat.

"Gujarat is one of the fastest developing textile apparel manufacturing clusters. ATDC has state-of-art infrastructure offering shop floor, supervisory and managerial skills to make industry-ready workforce. This will enable us to make new skill development forays in the state of Gujarat as we propose to set up a regional training hub in Ahmedabad/Gandhinagar, with additional training centres in the state," Dr Darlie Koshy – DG and CEO, ATDC said.

Further, ATDC also plans to set up 'India International Skill Centre', with National Skill Development Corporation, additional ATDC-SMART centres in major textile-apparel clusters in Gujarat and also apparel design centre (as fashion and crafts design and innovation cells) with focus on 'Innovative Designs' for apparel industry to create new brands and global fashions for youth. There are also plans to commence B. Voc. courses in Gujarat.

<http://www.fibre2fashion.com/news/apparel-news/atdc-to-expand-in-gujarat-for-growth-of-apparel-industry--206060-newsdetails.htm>



EPFO to discuss making EPF optional for apparel workers



New Delhi, Mar 23 (PTI) Retirement fund body EPFO will consider a proposal to amend the EPF & MP Act for making provident fund contributions optional for employees in apparel and made-ups sector at the trustees' meet on next Thursday.

However, the trade unions are against this move saying this would encourage such an exemption for other sectors as well in future and might defeat the purpose of retirement savings.

"The proposal to amend the Act for implementing the Cabinet decision of making EPF contributions optional for employees earning less than Rs 15,000 per month is listed on the agenda of EPFO's trustees meet scheduled on March 30, 2017," a source said.

Earlier last year in June, the Centre has brought a package for the textile and apparel sector which was

later extended to made-ups also in December 2016.

Among other sops in the package, it was announced that EPF shall be made optional for employees earning less than Rs 15,000 per month in these segments.

However it was a Cabinet decision but it could not be implemented without amending the EPF & MP Act 1952, the source said.

In the present legal framework, the employees as well as employers contribute 12 per cent each towards mandatory contributions towards social security scheme -- EPF, EPS and EDLI -- run by the Employees' Provident Fund Organisation (EPFO).

Once approved by the CBT, the proposal would have to go through the floor test in both the Houses of Parliament.

Commenting on the proposal, All India Trade Union Congress Secretary D L Sachdev said, "All central trade unions will oppose this proposal because it would start a new practice of making EPF contributions optional for a set of categories of employees. This will set a wrong precedent."

Besides, the EPFO's apex decision making body, the Central Board of Trustees (CBT), headed by the Labour Minister would also take up a proposal of providing health cover to its around 50 lakh pensioners.

Earlier, back of the envelop calculations done by ESI had estimated Rs 200 monthly premium per person for providing health cover under its scheme to the EPFO pensioners.

The proposal is aimed at providing health cover to EPFO pensioner, who get very little amount as pension and hence healthcare is out of their reach.

Besides, the CBT will also discuss the proposal to cover scheme workers like Anganwadi and mid-day meal, under the social security schemes run by the EPFO.

http://www.ptinews.com/news/8534382_EPFO-to-discuss-making-EPF-optional-for-apparel-workers.html

