

08. 5. 2008 :- 46

31st :- 20.5.2008

**M. KARUNANIDHI**  
CHIEF MINISTER



SECRETARIAT  
CHENNAI - 600 009

Date.....

**D.O. Letter No. 4964/C1/2008 dated 20.05.2008**

Dear Sir,

The Indian Textile Industry is the second largest and next only to Agriculture in providing employment to the people besides earning a significant foreign exchange. In Tamil Nadu, Textile industry generates huge employment opportunities and contributes significantly to the foreign exchange earnings to the tune of Rs. 11,000 crores annually.

Of late, the Textile industry has been facing a lot of problems and the recent rupee appreciation has really paralysed the textile production and has led to unemployment in rural areas in the State.

On the top of it, in the recent months, the yarn prices have gone up by about 10 – 15% and therefore the major Textiles Manufacturers and Exporters Associations have given a call of strike at the State level on 16.5.2008. Karur in Tamilnadu, is one of the specialized export centres in the country like Kannur in Kerala and Panipet in Haryana which has been exporting of Made-up items like Bed spreads, Table linen, Toilet and Kitchen Coordinates and Upholstery products by engaging about 75,000 people.

The Government of Tamilnadu has already taken few steps to facilitate the textile manufacturers in the State to make their textile products internationally competitive by removing sales tax on hank yarn and providing free supply of electricity upto 500 units bi-monthly to each unit at a cost of about Rs. 120 crore annually.

In order to address the problem of yarn price hike, it is suggested that the Government of India can take steps to make available the required yarn at reasonable price by invoking Textile Control order, exercising control over cotton exports and by providing export incentives for home textiles etc., on a short term basis to ensure sustainability of Textile industry.

I shall be grateful if you could intervene in this matter and issue suitable instructions to the Ministry of Textiles and other relevant Ministries of Government of India to look into this issue urgently to avoid closure of textile units and unemployment in the State.

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Yours sincerely,

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(M. KARUNANIDHI)

To

**Dr. Manmohan Singh,**  
Hon'ble Prime Minister of India,  
New Delhi.

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