

M. KARUNANIDHI
CHIEF MINISTER



SECRETARIAT
CHENNAI - 600 009

Date 23-9-2010

Dea P.M.

Kindly recall my letter dated 19.5.2010 on the issue of cotton exports wherein I had requested you to order for the continued suspension of cotton exports till the beginning of the next cotton season. I had also requested in my letter that after the commencement of the cotton season, cotton exports may be permitted after estimating the surplus availability based on the likely yield and domestic requirements. Several representations have now been received by me stating that cotton exports are likely to be permitted from the first of October and that this may be deferred in view of the low stocks of cotton in the country so that adequate cotton is available to our domestic producers'. The price of cotton has risen sharply in the last three weeks, following the issue of a notification by the Ministry of Commerce to permit Cotton exports. It is absolutely necessary that corrective action is taken to arrest the rising trend in the price of cotton.

Tamilnadu is the one of the leading textile producing states in the country and the textile sector apart from contributing a substantial part of our exports also provides employment to millions of people all over the country. Many of them are handloom weavers and manual workers who are able to maintain a basic level of subsistence only with their daily earnings. A sharp rise in the price of cotton will result in yarn prices going up considerably and this will put the handloom sector at great peril. Therefore, it is of the utmost importance to ensure that the domestic requirements of cotton are fully met before permitting any export of cotton. Moreover, this cotton is being mainly exported to nations such as China, Pakistan and Bangladesh which are competing with India in international textile trade. Unless availability of cotton at reasonable prices to our domestic producers of textiles is ensured, our value added textile products such as cloth

hosiery, garments, etc. will become uncompetitive in the global context. It is also of the greatest importance to ensure that the best cotton is available at reasonable prices to our domestic textile producers for this helps to keep cloth prices under control, thus reining in inflation.

I, therefore, request that considering the low stocks of cotton available in the country today and the rise in the price of cotton in recent weeks; export of cotton may not be allowed until we have ensured a situation in which cotton substantially reached the market to meet the domestic needs.

Kind Regards
Yours sincerely,

for. Karunanidhi.

(M. KARUNANIDHI)

To

Dr. Manmohan Singh,
Hon'ble Prime Minister of India,
New Delhi 110 011.

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செய்தி, மக்கள் தொடர்புத் துறை,
சென்னை-8