



Cotton Association of India

Atul S. Ganatra
President

Date : 23rd March 2020

Shri Narendra Modi
Honourable Prime Minister of India
Government of India,
South Block, Raisina Hill,
New Delhi – 110 011.

Respected Sir,

On behalf of the entire cotton trade and Industry of our Country, we convey our heartfelt gratitude to you, Sir for recognising the lurking danger of Coronavirus at an early stage and initiating drastic measures in anticipation of the truth that sooner than later, our country will also have to face this crisis.

COVID-19 has now become a pandemic and one country after the other is facing lockdown and struggling to contain this fast growing outbreak.

Sir, the Government of India is doing an excellent job under your dynamic leadership. The confidence and the faith that you have shown on the people of this country in asking them to impose on themselves Janata Curfew for their own good and the good of the entire society is indeed worthy of respect and we feel, it will pave way to promote the habit of self-discipline and sacrifice for the public good.

1.3 billion Indians across all religions, ideologies and political believes are firmly behind our Hon'ble prime Minister in his endeavour to fight this Pandemic and the highly successful Sunday Janata Curfew is an example.

In this time of the world's worst calamity called COVID-19 which has set the economies reeling, each and every individual is bleeding. All businesses are facing the daunting task of survival owing to the unique issues arising from the unprecedented crisis of COVID-19 Pandemic.

The entire Cotton trade and Textile industry is going through a massive burnout. The entire Sector, which is linked with nearly 50 to 55 million people including 6 million farmers growing cotton and about 40-50 million workers engaged in related activities such as processing, trade and manufacturing, has incurred huge unimaginable losses due to the disruptions it faced on account of COVID-19 disaster.

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In order to tide over this crisis, we most respectfully recommend you to consider the following relief package: -

1. Kindly consider converting the existing working capital limits to long term loans.
2. Kindly announce moratorium on payments due for atleast 6 months.
3. Kindly announce interest subvention of atleast 5% to entire trade. We submit that this interest subvention should be announced for all stakeholders and it should not be restricted only to exports.
4. Exporters sales have been deferred resulting in losses in forex. We recommend you to kindly consider postponing all trade in forex expiring in March by atleast 3 months.
5. Kindly consider extending due dates for all statutory payments by atleast 60 days.
6. Kindly consider extending the deadline of payments receivable from overseas buyers from 180 days to 360 days and also extending Packaging Credit in Foreign Currency interest on outstanding by 6 months without interest and penalty.

We earnestly urge you to implement these relief measures for the entire cotton and textile sector including cotton traders, exporters, ginning and pressing factories and textile mills across India on urgent basis so that the entire sector can be saved from getting shattered from this crisis. Once this Pandemic is out and over, the Trade and Industry would like to propose certain long term plans for all stakeholders amongst which the farmers will be on the forefront.

We look forward to your favourable and immediate response.

Thanking you,

Yours sincerely,

(Atul S. Ganatra)