



Cotton Association of India

Atul S. Ganatra
President

Date: 28th March 2020

Shri Piyush Goyal
Hon'ble Union Minister of Railways
and Commerce & Industry,
Government of India, Udyog Bhavan,
New Delhi – 110 011.

Respected Sir,

This is in furtherance of our earlier letter dated 23rd March 2020 (copy enclosed).

On behalf of the entire cotton trade and industry, we convey our sincere thanks and gratitude to you and the Government for the slew of measures announced under the **1.7 lakh crore relief package** announced by the Hon'ble Union Minister of Finance Smt. Nirmala Sitaraman to mitigate the sufferings of those 800 million poorest of poor fellow Indians worst affected by the unprecedented Coronavirus (COVID-19) Pandemic. In addition, the Reserve Bank of India also has come up with several measures in its **Seventh Bi-monthly Monetary Policy Statement 2019-20** to infuse liquidity and address major issues faced by the middle class as well as MSMEs including home and auto sector.

While these measures will certainly provide much needed relief and lend support in strengthening our fight against the ongoing COVID-19 Pandemic, we wish to invite your kind attention to the hardship faced by the exporters and importers of cotton in fulfilling their respecting export / import commitments during the period of the current lockdown: -

1. The exporters of cotton are hit hard during the current lockdown and they are not able to get B/L despite having made their shipments. They are also not able to send their documents to banks in the absence of courier services picking the export documents nor are they able to send their documents to the buyers despite having received B/L before commencement of the lockdown.
2. They are not able to obtain B/L as shipping companies are not working.
3. They are also not able to obtain Phyto sanitary certificates.

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4. Certificates of Origin are also not getting issued to them.
5. Container Freight Stations (CFS) are also not working.

In the circumstances, it is necessary to allow functioning of the following for limited time and with limited capacity and also with necessary precautions and without compromising on the safety of the lives and health of their employees so that the exporters and importers, who are doing an important activity for the nation, can discharge their obligations –

- (i) Courier services to collect documents from banks for onward delivery to buyers so that the exporters and importers can discharge their respective obligations. Merely continuing banks and ports to function in the absence of the availability of courier services does not serve any meaningful purpose for the exporters and importers in discharging their import / export commitments.
- (ii) Shipping companies to provide B/L
- (iii) Exporters and importers to attend their most urgent works related to their export / import in their offices and also with their banks two days in a week i.e. on Mondays and Tuesdays for limited time.
- (iv) Chambers of Commerce to issue Certificates of Origin

In addition, we also request you to implement the following measures: -

Ministry has disincentivised merchant exporters whereas the merchant export is the backbone of the Indian economy. We therefore earnestly request you to kindly consider extending all export benefits to all exporters including merchant exporters, manufacturing exporters in all the sectors, etc.

Reduction in the transaction cost is the net saving for the exporters and it enable them to compete internationally. Therefore we earnestly request you to reduce the following:-

- (i) Kindly consider granting an Interest subvention of atleast 5% across all export categories through banks only with effect from 1st January 2020.

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- (ii) Kindly consider waiving all Port charges viz. THC, demurrages, port charges, etc. with effect from 1st February till 30th June 2020.
- (iii) Several exporters have booked Forexes expiring in March / April. However, due to the stoppage of shipments on account of the current lockdown, no payments are forthcoming and there is an eminent danger of the exporters facing huge penalty. We therefore earnestly request you to roll over the Forex Booking cancellations to June end without any penalty.
- (iv) Labour intensive industries like textiles, leather, etc. should be incentivised by paying 50% labour cost till end June 2020. This will enable all labours to hold on their jobs without any disruption.
- (v) Interstate movement of goods meant for exports should be permitted and not stopped.
- (vi) All documents viz. phyto sanitary certificates, COO, B/L, etc. needed for exporters should be permitted online / digitally.

Kindly consider implementing the above measures to tide over the unprecedented crisis being faced by the exporters / importers of cotton, Ginning and Pressing factories and textile sector.

Thanking you,

Yours Sincerely,

(Atul S. Ganatra)

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