

Seventeenth Loksabha

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Title: Regarding control of rising price of cotton yarn.

SHRI S. RAMALINGAM (MAYILADUTHURAI): Sir, the textile and handloom industry in India is the second largest manufacturing industry which is presently undergoing huge financial stress and closing all its operations mainly due to tax burden. In addition to COVID distress, the Government has notified an increase in GST on natural fibre products including apparels from five per cent to 12 per cent which might affect the textiles and manufacturing units to a large extent. Due to above mentioned reasons, the textile exports comprising textile, apparel and handicraft have been affected badly. The present unsustainable price rise of cotton yarn has sabotaged the textile industry and affected the livelihood of thousands of workers. Additionally, the Union Government has brought the levy of five per cent custom duty and five percent agricultural infrastructure development cess and ten per cent social welfare cess both totalling eleven per cent on the cotton imports which have an unprecedented impact on the cotton price.

Thus, I would request the Union Government to keep the GST rate low and temporarily suspend eleven per cent import duty on cotton yarn for certain time period and take relevant policy decisions to safeguard the interest of workers.

Kindly extend the subsidy of five per cent which can save millions of small-scale workers.

Kindly take some relevant measures to revive the MSME sector and allow them to participate in the procurement process.

I humbly request the hon. Minister to take necessary intervention to control the rising price of cotton yarn.

Thank you, Sir.