

Probe in yarn prices to prevent supply chain imbalances, protect lakhs of livelihoods: AEPC Chairman

DELHI NCR, 23 June 2021: Welcoming the **Textile Ministry's** intent to find evidence of cartelization which is resulting in sudden spikes in cotton yarn prices, **Apparel Export Promotion Council (AEPC) Chairman Dr A Sakthivel** said that a solution to the high prices will prevent supply chain imbalances and protect lakhs of livelihood.

"We are happy to note that the Textile Commissioner's office has been advised to find evidence of cartelization which is resulting in these spikes and hurting the overall interest of the industry. With Ministry's support, such a study can set precedents for a data driven management of the supply chain imbalances," **Dr Sakthivel** said.

Earlier in the day, **Hon'ble Textiles Minister Smt Smriti Zubin Irani**, while addressing the award function of The Cotton Textiles Export Promotion Council (TEXPROCIL), said that the Ministry along with the Textile Commissioner's office seeks to find solution in partnership with the industry for the overall interest of the industry.

"There is a need to undertake a third party study of sudden spikes in cotton yarn prices which affects the prospects across the value chain of Indian textiles. It cannot be accepted that data to the same is not available. The time has come that to benefit a few, the plenty cannot suffer. I am hopeful that especially in this statistical study some forensic details can also be found by the Textile Commissioner's office," she said.

Dr Sakthivel, in a letter to the **Hon'ble Textiles Minister**, said that **AEPC** will fully cooperate for a third party study with regard to the spikes in cotton yarn prices. He said that these steps will help in curbing the steep increase and unpredictability in availability of cotton and yarn which is hampering the apparel industry's order book planning and overall competitiveness of the entire value chain.

"Lot of powerloom units have closed. This step will help in saving the livelihood of a lot of workers in the powerloom sector and apparel industry. As the sector is labour intensive, employing over 13 million workers, largely migrant and women workers, stability in the prices, in turn will stabilize the production and save livelihoods of the large number of workers in this MSME dominated production and export units," he said.
