

Dear Cotton and Media Friends,

Greetings from Cotton Association of India. Our Association's Annual Gala Dinner for members was held on 27thDecember 2017, at Mahalaxmi Race Course, Turf Club, Mumbai. Around 200 members and guests including large number of mill owners, MNCs and many of the cotton exporters/traders/ginners/brokers and many other guests were present.

Sri Suresh Bhai Kotak, Ex-President of CAI, was the chief guest. He addressed the gathering and gave a very wise speech. All the words spoken by him were 24 carat gold for the entire cotton fraternity. In his welcome address, the CAI President, Shri Atul Bhai Ganatra, gave details of the work done under his Presidentship in the last 3 months and the current cotton scenarios.

The highlights of his speech are as under:

- 1) He said, he was glad to restart the annual dinner for CAI members after a long gap of 10-12 years.
- 2) He and his team of Directors met Chief Minister of Maharashtra to remove market cess ranging from 0.5 to 1.1% charged by various market committees. In that meeting, the CM assured to remove this Mandi tax on kapas. Also, Maharashtra government will shortly come out with favourable Textile Policy, which will attract the investors of cotton trade to put cotton spinning mills in Maharashtra.
- 3) All India ginners are facing problems in the new GST regime under RCM. CAI has taken up this issue with the GST Council and the Finance Minister, New Delhi and there was a protest against this by the all India ginners strike which was held on 15thDecember successfully in majority of cotton growing states in India.
- 4) CAI has 70 ginners as members in the Association and this is the first time CAI has taken up the matter of solving problems of the ginners seriously.
- 5) The President and CAI's 10 Directors met the CMD and other Directors of Cotton Corporation of India and requested to utilise CAI's 13 cotton testing laboratories which are in almost all cotton growing states and also to use the CAI arbitration facilities. This will boost CAI's income.
- 6) The CAI Crop Committee met on 27thDecember at CAI headquarters in Mumbai. In this meeting, CAI is firm on their earlier estimate of cotton crop of 375 lakh bales for this season.
- 7) As per CAI, cotton arrivals in India upto 31stDecember has crossed 147.75 lakh bales in this season. By the same time last year arrivals were about 108 lakh bales. These arrival figures were collected from each state, 3-4 big ginners/brokers to arrive the correct figures. CAI has announced cotton crop size of 375 lakh bales which looks achievable looking to the pace of arrivals this season.

- 8) Since cotton rates have gone up in India by 10% in the last one month, the earlier set target of cotton export of 63 lakh bales looks difficult now, hence cotton export figures have been reduced and revised from the earlier 63 lakh bales to 55 lakh bales.
- 9) Since cotton price has increased in India, parity to import of cotton has increased so CAI has revised import figures from 17 lakh bales to 20 lakh bales this season, import of cotton may increase.
- 10) CAI estimated total consumption of cotton during 1stOctober 2017 to 30thSeptember 2018 of around 320 lakh bales.
- 11) Due to reduction in export and increase in import, CAI's carry forward has increased from 39lakh bales to 50 lakh bales on 30th September 2018, which is a very comfortable position for Indian spinning mills.
- 12) The CAI President said that our Association is ready to join hands and work together hand in hand with all other state associations.
- 13) President said he and his team of 20 Directors and the entire staff of CAI has firmly made up their minds to work hard to solve the cotton trade issues and bring back the old and prestigious glory of CAI, which is the parent body of all the associations in India. This past glory was at its peak during the past when Shri Babaseth and ShriSuresh Bhai were the Presidents of the Association.
- 14) Lastly he thanked everyone for making this gathering successful and also thanked all the members and invitees who had turned up in a big numbers from Mumbai and other states.

Atul S. Ganatra
President

Mumbai
Date: 29th December 2017