

Weekly Publication of



**Cotton
Association
of India**

COTTON STATISTICS & NEWS

Edited & Published by Amar Singh

2023-24 • No. 2 • 11th April, 2023 Published every Tuesday

Cotton Exchange Building, 2nd Floor, Cotton Green, Mumbai - 400 033
Telephone: 8657442944/45/46/47/48 Email: cai@caionline.in
www.caionline.in

Branding Indian Cotton - An Idea Whose Time Has Come!

Dr. Siddhartha Rajagopal is currently working as the Executive Director of The Cotton Textiles Export Promotion Council (TEXPROCIL). Having majored in Political Science with specialization in international economic relations and obtained a Doctorate in Strategy and Operations Management, Dr. Rajagopal has vast experience of over 3 decades in matters relating to International trade in textiles and clothing. During the course of his career in the textile and clothing sector, he has been a member of several Government delegations/negotiating groups

**EXPERT'S
Column**



Dr. Siddhartha Rajagopal
Executive Director, The Cotton Textiles
Export Promotion Council [TEXPROCIL]

and has been actively associated with bilateral consultations/negotiations with the USA, European Union and the WTO. Dr. Rajagopal has also been instrumental in defending India's interest against trade restrictive measures and conceiving export promotion schemes and market development strategies for the garment and textile sector. He has organized India's participation in several international trade fairs and visits of trade delegations and has had the opportunity to travel extensively the world over.

India has the largest area under cotton cultivation and is also the 2nd largest producer and 2nd largest consumer of cotton in the world. Cotton is immensely important for enduring sustainability in the agrarian economy of India and improving the livelihood of its vast cotton farming community. Being one of the principal commercial crops of India, cotton provides livelihood to about 6 million cotton farmers. India produces about 6 million tons of cotton every year which is about 23 percent of the world's cotton.

Need for Branding & Marketing

Branding of products has acquired vital significance in recent times. A brand is a strategic resource of every business entity be it a small firm,

a large corporation, or even a country. Possessing a brand serves as a source of competitive advantage. Indian cotton requires a comprehensive strategy for 'Branding and Marketing' in the light of the following:

- Today's market economy, with incessant disruptions and regular upheavals, presents a very volatile and uncertain situation. Globalisation has given way to regionalisation and even localisation, accentuated by the strong measures being taken to protect local industries.
- Survival in such a fluid trading environment, with intense competition and limitations on the

acreage, results in production constraints leading to volatility in prices and greater difficulties for an enterprise to sustain long-term success.

- Indian Cotton is a national treasure – Also termed as ‘White Gold’, cotton in India should be able to command its position as ‘superior quality cotton’ along the lines of Supima and Giza.
- Position ‘Indian cotton’ as a reliable, consistent quality product that gives ‘value for money’ in the face of decreasing margins and increasing competition.
- Create a value by riding on our strengths of being the largest producers of conventional as well as organic cotton in the world.
- In the wake of the ban on Xinjiang cotton and its repercussions on the global supply, we must quickly establish ‘Indian cotton’ as ‘Clean cotton’ by ensuring best practices are being followed and highlighting the same to the world.

Capturing the Legacy of Indian Cotton

To quote Victor Hugo, the famous French poet, and novelist, ‘Nothing is more powerful than an idea whose time has come’. The time has come for ‘Indian Cotton’ to take center stage in the global cotton industry substantiating in the process, the invaluable efforts of all the stakeholders in developing the value chain from “Farm to Fashion”.

Recognising this need, the Government of India has launched the “Kasturi” brand coinciding with the ‘World Cotton Day’ on 7th October 2020, in association with the industry, trade bodies as well as institutions in the sector to promote Indian cotton. The ‘Kasturi’ brand is expected to be promoted with improved quality specifications to fetch a better premium for Indian cotton and enhance export opportunities as well as foreign exchange earnings for the country.

Implementing the Branding and Marketing program for Cotton

In essence, activities for branding and marketing cotton should include – the identification of key clusters that undertake cotton production as per the ‘brand specification’; ensure product labelling at all touch points using the ‘brand logo’ and ascertain that the product label stands for specified ‘brand parameters’.

To ensure sanctity, maintain quality and obtain a premium for the Indian branded cotton, it must be brought under ‘Licensed Production’ – a framework that offers licenses to cultivate, produce and sell Indian branded Cotton products

Further, to be able to meet the assurance and acceptance by international brands, it will be critical to ensure traceability and certification of the Indian brand across the textile value chain. Additionally, each bale/lot needs to be checked and certified for the ‘brand logo’ marking.

Apart from the above, promoting the Indian cotton brand will require development of Unique Selling Propositions (USPs) in terms of ginning practices, trash content and “touch and feel” factors.

Key Initiatives by TEXPROCIL in Tracing and Certification of Indian Farm Cotton

In order to ensure the traceability of Indian farm cotton, the Council in association with Control Union has rolled out a program to issue a General Certificate of Conformity (GCC) for Indian farm cotton.

The program has been designed to address the industry’s concerns relating to the traceability of Indian cotton, especially because of the restrictions imposed by the USA on Xinjiang cotton.

It verifies and certifies conventional Indian cotton at each stage of the value chain as required by domestic and global brands.

The TEXPROCIL run program is also designed to facilitate G.I tagging of all the 36 zones in the country using seed and/or soil mapping & profiling as per accepted global standards such as ‘Oritain’ and ‘ADNAS’, in line with the Hon’ble Prime Minister’s vision of ‘Think Global; Make Local’ along with QR coding and Blockchain methodology to instill confidence in the end users

Strategy for Brand Promotion

The constantly changing market dynamics along with rising consumer demands make it necessary to use well-defined strategies for branding and promotion of Indian branded Cotton based products on clearly identified goals.

The branding effort will require engaging the services of a design agency – to create the ‘brand tagline’, design PR and publicity campaigns, etc. to ensure international acceptance. The agency can also help to generate creative content such as short films, videos and brochures for use in brand promotion.

PR and publicity campaigns will also help to engage with importers, buying houses, sourcing companies, factories, brands, retail chains and institutions through various touch points such as social media, international fairs and exhibitions, trade associations and Indian missions, trade delegations, social and economic forums, major cotton-consuming clusters, fashion shows, etc.

Any branding strategy will have to be based on adoption of stringent quality parameters, and ensuring recall value through planned and focused advertising and publicity.

Other components of the branding strategy could include a ‘flanking strategy’ whereby the main brand say of ‘Kasturi’ can become a vehicle for simultaneously promoting other brands such as ‘Shankar 6’, ‘Suvin’, ‘Bengal Deshi’ and others.

Each one these varieties has its USP, e.g., Shankar 6 has superior fibre properties that ensure good blending and fibre lustre. Suvin has the highest fibre length of the best ELS cotton grown in the world. Bengal Deshi is synonymous with being grown in superior fertile soil. The flanking strategy also ensures that our main brand is protected from competition based on unique propositions.

“Creating a brand of Indian cotton” was a long pending requirement of the trade. With the launch of Kasturi, India will cement its position as the global leader in this sector. For too long a period, the stakeholders in the Indian cotton industry have been going about the business of cotton production and exports without focussing on their identity.

‘What is seen and experienced will sell’ is an oft quoted sales pitch.

‘Kasturi’ provides a launch pad for producing, certifying and promoting Indian cotton to all the cotton-consuming countries across the world.

Conclusion

Promoting the ‘Indian Brand of Cotton’ will ensure higher realisations across the value chain, and brand recognition that will ensure India maintains its competitive position in global cotton-producing nations at all times.

Towards this end, the branding of Indian cotton can lead to a manifold increase in farm output and support the Government’s mission to double farmers’ income and go a long way in securing India’s aspirations to become – a sustainable cotton market in the world.

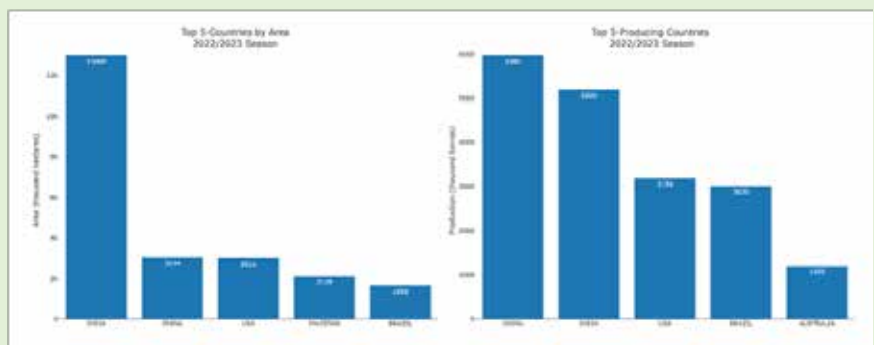
The recall value realised by branding Indian cotton should be so lucrative, that next time the world should say ... Think Cotton, Think India!

Source : CAI Centenary Special 2022

(The views expressed in this column are of the author and not that of Cotton Association of India)

Indian Farmers Might Be Delaying Cotton Deliveries but Global Production Is Stable

Over the last few months, we have been paying close attention to the cotton sector in India, which has the largest planted area and second-highest lint production in the world. The Secretariat is currently projecting India's crop to be 5.2 million tonnes, after revising it downward by 391,000 tonnes in December and 257,000 more in February.



The arrival numbers have been unusually low, possibly because farmers — who so recently enjoyed near-record-high prices — are holding onto their cotton in the hope that prices, which have dropped recently, start to trend upward again. The pace of arrivals did pick up in March, however, and prices have stabilised slightly over the past few weeks so farmers may be starting to realise that accumulated debt will start to outpace any additional income they might gain by holding their cotton.

Currently, the Secretariat projects global consumption at 24.55 million tonnes and consumption at 23.8 million tonnes.

Price Projections

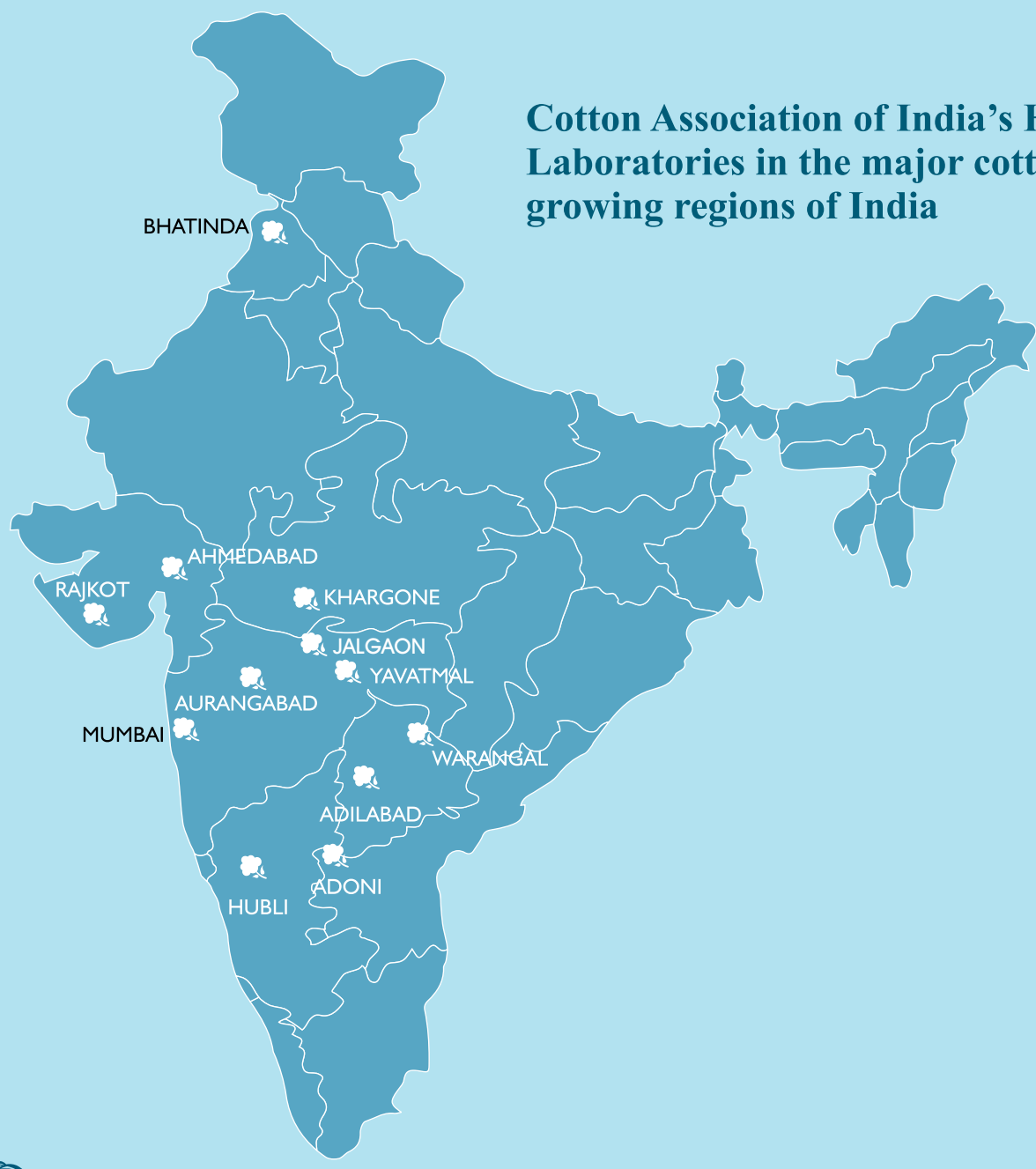
The Secretariat’s current price forecast of the season-average A index for 2022/23 ranges from 99.8 cents to 122.12 cents, with a midpoint of 103.71 cents per pound.

Source: ICAC Cotton This Month, April 03, 2023



COTTON ASSOCIATION OF INDIA

**Cotton Association of India's HVI
Laboratories in the major cotton
growing regions of India**





COTTON ASSOCIATION OF INDIA

Cotton Testing and Research Laboratory (NABL ACCREDITED & ISO 9001:2015 CERTIFIED)

The CAI's network of independent cotton testing & research laboratories are strategically spread across major cotton centers in India and are equipped with

State-of-the-art technology & world-class Premier and MAG cotton testing machines
HVI test mode with trash% tested gravimetrically

CAI LABORATORIES AT DIFFERENT LOCATIONS

Sr.No.	Location	Address	Contact Details
1	Mumbai	2nd floor, Cotton Exchange Building, Opp. Cotton Green Railway Station, Cotton Green, Mumbai 400 033.	Mr. Sanket Shingote - 8691068976 laboratory.mb@caionline.in
2	Rajkot	Maruti Nandan Commercial Complex, In Side Ground Floor, Opp. Galaxy Hotel, Jawahar Road, Rajkot 360 001.	Mr. Hemal Vyas - 9924580810 laboratory.rk@caionline.in
3	Aurangabad	Awargaonkar Complex, Basement of Hotel Ramgiri, CIDCO, Jalna Road, Aurangabad 431 003.	Mr. Prasad Deodikar - 9922794884 laboratory.ag@caionline.in
4	Warangal	House No.8-3-163, Sri Krishna Colony, Ground Floor, Warangal 506 002.	Mr. Akash Gudimalla - 7601055471 laboratory.wl@caionline.in
5	Hubli	Center Point Building, Room No. 305, 3rd Floor, Opp. Sanjevani Press, New Cotton Market, Hubli - 580 029.	Mr. Pintu Basak - 8453697954 laboratory.hb@caionline.in
6	Bathinda	2nd Floor, Shop No. 4465, Bank Bazaar, Above State Bank of Bikaner & Jaipur Bank, Bathinda 151 001	Mr. Ankit Singh - 9695258862 laboratory.bt@caionline.in
7	Ahmedabad	101, Arth Complex, 1st Floor, Mithakali, 6 Rastha, Opp Passport Office, Near LG Showroom, Navrangpura, Ahmedabad 380 009.	Mr. Brijesh Mishra - 800090356 laboratory.ah@caionline.in
8	Adilabad	Door No. 3-2-29/13, Ground Floor, Ambedkar Chowk, SBH. Road, Near Canara Bank, Adilabad 504 001	Mr. Satish Bollu - 9640758670 laboratory.ad@caionline.in
9	Khargone	Ground Floor, Hotel P.M. Commercial Area, Opp. Agrawal Hotel, Near Bus Stand, Khargone - 451 001	Mr. Kishna Bisen - 9691073336 laboratory.kh@caionline.in
10	Yavatmal	First Floor, Veer Wamanrao Chowk, Drushti Sankul, Yavatmal 445 001	Mr. Jivan - 9763152502 laboratory.yl@caionline.in
11	Adoni	First Floor, NO. 17/104-7, Agri Market Yard Road, Adoni 518 301.	Mr. Naveen Kumar - 9390240024 laboratory.an@caionline.in
12	Jalgaon	52-B, Karmyog, Jila Peth, Behind Saibaba Mandir, Near Ambedkar Market, Jalgaon 425 001.	Mr. Pushpendra Singh - 8957143110 laboratory.jl@caionline.in

+91-865742947/48 | cai@caionline.in | www.caionline.in

Glimpses of Ram Navami Celebrations at Shree Ramchandraji Mandir from 22nd March to 31st March 2023



Supply and Distribution of Cotton

3 April, 2023

Seasons begin on August 1

Million Metric Tons

	2017/18	2018/19	2019/20	2020/21 est.	2021/22 proj.	2022/23 proj.
BEGINNING STOCKS						
WORLD TOTAL	18.88	19.43	19.34	22.12	20.19	19.42
China	10.35	9.03	8.88	9.02	9.37	8.60
USA	0.60	0.82	0.83	1.23	0.26	0.34
PRODUCTION						
WORLD TOTAL	27.00	25.98	26.26	23.99	25.18	24.55
China	5.89	6.04	5.80	5.91	5.73	5.98
India	6.35	5.66	6.20	6.02	5.22	5.20
USA	4.56	4.00	4.34	3.18	3.81	3.20
Brazil	2.01	2.78	3.00	2.36	2.55	3.02
Pakistan	1.80	1.67	1.46	0.96	1.27	0.85
Uzbekistan	0.96	0.64	0.53	0.70	0.59	0.59
Others	5.44	5.20	4.93	4.87	6.01	5.72
CONSUMPTION						
WORLD TOTAL	26.35	26.01	23.05	25.69	25.81	23.80
China	8.50	8.25	7.23	8.40	8.31	7.50
India	5.42	5.40	4.45	5.70	5.30	5.01
Europe & Turkey	1.73	1.82	1.60	1.79	2.01	2.05
Pakistan	2.35	2.36	2.34	2.15	2.45	1.90
Bangladesh	1.66	1.58	1.50	1.64	1.73	1.60
Vietnam	1.51	1.51	1.45	1.52	1.46	1.20
Brazil	0.68	0.73	0.57	0.69	0.70	0.70
USA	0.70	0.63	0.47	0.52	0.56	0.46
Others	3.80	3.73	3.44	3.28	3.29	3.38
EXPORTS						
WORLD TOTAL	9.14	9.28	9.21	10.83	9.73	8.98
USA	3.64	3.37	3.47	3.63	3.18	2.30
Brazil	0.91	1.31	1.95	2.42	1.74	1.97
Australia	0.85	0.79	0.30	0.35	0.79	1.55
CFA Zone	1.06	1.16	1.07	1.19	1.31	0.97
India	1.13	0.76	0.70	1.36	0.87	0.42
Uzbekistan	0.22	0.16	0.10	0.10	0.03	0.03
IMPORTS						
WORLD TOTAL	9.04	9.22	8.78	10.63	9.60	8.98
China	1.32	2.10	1.60	2.84	1.85	1.80
Bangladesh	1.67	1.54	1.50	1.69	1.70	1.54
Vietnam	1.52	1.51	1.41	1.55	1.36	1.20
Turkey	0.96	0.79	1.02	1.19	1.24	1.20
Indonesia	0.77	0.66	0.55	0.55	0.58	0.60
TRADE IMBALANCE †	-0.10	-0.06	-0.43	-0.20	-0.13	0.00
STOCKS ADJUSTMENT ‡	0.00	0.00	-0.01	-0.03	0.00	0.00
ENDING STOCKS						
WORLD TOTAL	19.43	19.34	22.12	20.19	19.42	20.18
China	9.03	8.88	9.02	9.37	8.60	8.86
USA	0.82	0.83	1.23	0.26	0.34	0.77
ENDING STOCKS/MILL USE (%)						
WORLD-LESS-CHINA *	58.29	58.86	82.72	62.61	61.85	69.50
CHINA **	106.27	107.69	124.82	111.51	103.46	118.07
COTLOOK A INDEX***	87.98	84.35	71.33	84.96		

Note :

Seasons begin on August 1

† The inclusion of linters and waste, changes in weight during transit, differences in reporting periods and measurement error account for differences between world imports and exports.

‡ Difference between calculated stocks and actual; amounts for forward seasons are anticipated.

* World-less-China's ending stocks divided by World-less-China's mill use, multiplied by 100.

** China's ending stocks divided by China's mill use, multiplied by 100.

*** U.S. Cents per pound. Average price for a given season, August 1 to July 31 or average-to-date.

Source: ICAC Cotton This Month, April 03, 2023

UPCOUNTRY SPOT RATES													(Rs./Qtl)
Standard Descriptions with Basic Grade & Staple in Millimetres based on Upper Half Mean Length [By law 66 (A) (a) (4)]								Spot Rate (Upcountry) 2022-23 Crop April 2023					
Sr. No.	Growth	Grade Standard	Grade	Staple	Micronaire	Gravimetric Trash	Strength /GPT	3rd	4th	5th	6th	7th	8th
1	P/H/R	ICS-101	Fine	Below 22mm	5.0 – 7.0	4%	15	18784 (66800)	18784 (66800)	18784 (66800)	18643 (66300)		18925 (67300)
2	P/H/R (SG)	ICS-201	Fine	Below 22mm	5.0 – 7.0	4.5%	15	18925 (67300)	18925 (67300)	18925 (67300)	18784 (66800)		19065 (67800)
3	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	13%	20	13160 (46800)	13301 (47300)	13469 (47900)	13638 (48500)		13919 (49500)
4	KAR	ICS-103	Fine	23mm	4.0 – 5.5	4.5%	21	16169 (57500)	16253 (57800)	16310 (58000)	16450 (58500)	H	16591 (59000)
5	M/M (P)	ICS-104	Fine	23mm	4.5 – 7.0	4%	22	16872 (60000)	16872 (60000)	16872 (60000)	16956 (60300)		17069 (60700)
6	P/H/R(U) (SG)	ICS-202	Fine	27mm	3.5 – 4.9	4.5%	26	16759 (59600)	16788 (59700)	16703 (59400)	16788 (59700)		17069 (60700)
7	M/M(P)/SA/TL	ICS-105	Fine	26mm	3.0 – 3.4	4%	25	-	-	-	-	O	-
8	P/H/R(U)	ICS-105	Fine	27mm	3.5 – 4.9	4%	26	16928 (60200)	16956 (60300)	16844 (59900)	16928 (60200)		17209 (61200)
9	M/M(P)/SA/TL/G	ICS-105	Fine	27mm	3.0 – 3.4	4%	25	15691 (55800)	15747 (56000)	15888 (56500)	15972 (56800)		16113 (57300)
10	M/M(P)/SA/TL	ICS-105	Fine	27mm	3.5 – 4.9	3.5%	26	16394 (58300)	16450 (58500)	16506 (58700)	16591 (59000)	L	16731 (59500)
11	P/H/R(U)	ICS-105	Fine	28mm	3.5 – 4.9	4%	27	17378 (61800)	17406 (61900)	17322 (61600)	17406 (61900)		17687 (62900)
12	M/M(P)	ICS-105	Fine	28mm	3.7 – 4.5	3.5%	27	16731 (59500)	16788 (59700)	16844 (59900)	16928 (60200)	I	17069 (60700)
13	SA/TL/K	ICS-105	Fine	28mm	3.7 – 4.5	3.5%	27	16788 (59700)	16844 (59900)	16900 (60100)	16984 (60400)		17125 (60900)
14	GUJ	ICS-105	Fine	28mm	3.7 – 4.5	3%	27	17013 (60500)	17069 (60700)	17181 (61100)	17266 (61400)		17491 (62200)
15	R(L)	ICS-105	Fine	29mm	3.7 – 4.5	3.5%	28	17238 (61300)	17294 (61500)	17266 (61400)	17322 (61600)	D	17603 (62600)
16	M/M(P)	ICS-105	Fine	29mm	3.7 – 4.5	3.5%	28	17209 (61200)	17266 (61400)	17350 (61700)	17434 (62000)		17575 (62500)
17	SA/TL/K	ICS-105	Fine	29mm	3.7 – 4.5	3%	28	17266 (61400)	17322 (61600)	17406 (61900)	17491 (62200)	A	17631 (62700)
18	GUJ	ICS-105	Fine	29mm	3.7 – 4.5	3%	28	17322 (61600)	17378 (61800)	17491 (62200)	17575 (62500)		17800 (63300)
19	M/M(P)	ICS-105	Fine	30mm	3.7 – 4.5	3.5%	29	17434 (62000)	17462 (62100)	17547 (62400)	17631 (62700)		17744 (63100)
20	SA/TL/K/O	ICS-105	Fine	30mm	3.7 – 4.5	3%	29	17491 (62200)	17519 (62300)	17603 (62600)	17687 (62900)	Y	17800 (63300)
21	M/M(P)	ICS-105	Fine	31mm	3.7 – 4.5	3%	30	17659 (62800)	17716 (63000)	17800 (63300)	17884 (63600)		17997 (64000)
22	SA/TL/K/TN/O	ICS-105	Fine	31mm	3.7 – 4.5	3%	30	17716 (63000)	17772 (63200)	17856 (63500)	17940 (63800)		18053 (64200)
23	SA/TL/K/TN/O	ICS-106	Fine	32mm	3.5 – 4.2	3%	31	N.A. (N.A.)	N.A. (N.A.)	N.A. (N.A.)	N.A. (N.A.)		N.A. (N.A.)
24	M/M(P)	ICS-107	Fine	34mm	2.8 - 3.7	4%	33	19965 (71000)	19965 (71000)	19965 (71000)	20106 (71500)		20246 (72000)
25	K/TN	ICS-107	Fine	34mm	2.8 - 3.7	3.5%	34	20387 (72500)	20387 (72500)	20387 (72500)	20528 (73000)		20668 (73500)
26	M/M(P)	ICS-107	Fine	35mm	2.8 - 3.7	4%	35	20528 (73000)	20528 (73000)	20528 (73000)	20668 (73500)		20809 (74000)
27	K/TN	ICS-107	Fine	35mm	2.8 - 3.7	3.5%	35	20809 (74000)	20809 (74000)	20809 (74000)	20949 (74500)		21090 (75000)

(Note: Figures in bracket indicate prices in Rs./Candy)