

Weekly Publication of



**Cotton
Association
of India**

COTTON STATISTICS & NEWS

Edited & Published by Amar Singh

2016-17 • No. 6 • 10th May, 2016 Published every Tuesday

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Sustainable Cotton Production in India in the Past, Present and Future Supported by Technologies

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Cotton is a unique crop and very important commercially in nine states of India. It occupies almost 12 m ha area in the country, with Maharashtra leading the nation in respect of area, as it occupies nearly 4.0 m ha. Indian cotton crop cultivation is most diverse in the world, both in terms of botanical status (species) and fibre quality range. The three species of *Gossypium* contributing to the cotton trade and industrial consumption viz., *G. hirsutum*, *G. arboreum* and *G. herbaceum* are commercially grown in the country. The fourth cultivated species, *G. barbadense* contributes the

best quality superfine fibre, but is grown mostly in Tamil Nadu.

Several other unique features of Indian cotton cultivation, include growing interspecies and intra-species hybrid cultivars all through the year, hand-picking, intercropping and large variation in inputs of water and fertilizers. In Maharashtra, cotton is predominantly a rainfed crop with a modest application of nutrients and modest to heavy use of pesticides. Cotton is also the first crop in India, where genetically engineered technology (GE), commonly referred to as biotech crop, has been commercialised in the form of insect-resistant Bt cotton.

In the last decade, the cotton production scenario has undergone dramatic changes and Indian cotton has not only dominated the international production picture, but attracted the attention of all global players in the commodity for its persistent growth.

In 2015, India emerged as the world's largest producer of cotton outpacing the mighty China. With 4000 and odd G & P factories, Indian textile sector has scope to expand.



GUEST COLUMN

Dr. C.D. Mayee

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The Technology Mission on Cotton introduced in 2002, has further boosted the cotton production, quality marketing and ginning and as a result, recent ITMF surveys have shown a steep decline in trash and contamination. .

The cotton progress in India is dotted with technology support whenever the yield has remained stagnant. At the time of Independence, cotton cultivation was predominantly of desi cotton (*G. arboretum* and *G. herbaceum*). The average yield was less than 100 kg lint per ha. Between 1950- 60, scientists brought about resistance to jassids, earliness and improved quality with simultaneous introduction of American cottons (*G. hirsutum*). The yield doubled in the 1960s. An Indian Scientist, Dr. C.T. Patel developed the first intrahirsutum hybrid, H-4, which further revolutionised the productivity and the hybrid era began around 1970 when the yield crossed 200 kg lint / ha mark.

But then American bollworm became prominent and stagnated the hybrid yield when scientists brought the miracle pesticide molecule; pyrethroid which boosted the yield and took it to 300 kg lint per ha. Between the years 1992 to 2002, the yield started declining due to the adverse effect of excessive use of pesticide. During the last 14 years, the productivity has nearly doubled with a yield level above 550 kg lint per ha. A brief summary of how cotton yield progressed is given in Table-1.

Cotton pest management particularly for the dreaded bollworm, relied heavily on the use of

pesticides prior to the introduction of Bt. It is estimated that pesticide worth Rs. 12.15 billion were used annually on chemical pesticides in spite of highest awareness on IPM / IRM technologies promoted by Governments. With only 5% area under cotton, 50% of the total pesticides were consumed by cotton. Since dependable alternative methods were not available, farmers had no option except 'spray or pray'.

The excessive use of chemicals created problems like insecticide resistance, resurgence of other pests and enhanced the need for repeated applications, resulting in serious problems of ecology and economics. It is at this stage, that Bt cotton was introduced in 2002 after rigorous trials all over India. Initially, only three hybrids and only one company was permitted, but as the success of the cotton was visible in farmers' fields, several hybrids of different companies and background suitable for different ecological regions were approved.

By 2010, nearly 35 seed producing companies were supplying more than 600 Bt cotton hybrids having one or more transgene. The cotton yield increased from 300 kg lint to 560 kg lint ha and the consumption of pesticide reduced by 50%.

The Bt technology benefitted cotton in many ways. Multiple uses of cotton as food (edible oil), feed (de oiled cake) and fibre increased. The cotton seed availability is now 12.2 mt contributing 14.5 % to the vegetable oil pool. Stalks used for hard board, pellets and bricks are now available more than 30 mt annually. Linters used in currency notes are

Table 1: Cotton progress in India with technology

Decade	Technology Support	Cotton production (m bales)	Production (kg lint / ha)
1950-60	Desi cotton: Resistance	4.15	105
1960-70	Fiber quality, American cotton	6.80	175
1970-80	Hybrid Introduction	7.23	200
1980-85	Pyrethroid Protection	9.90	250
1985-92	IPM + IRM Support	14.0	300
1992-02	Yield Remain Stagnate due to boll worm pests or even declined below 300 kg lint per ha		
2002-14	Bt Technology	35.0	560



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now 0.5 mt. The seed oil production increased to 1.5 mt and seed meal as feed, markedly increased to 4.4 mt. This means there is additional income to farmers which has helped rural employment, rural industrialisation and conservation of natural resources.

The Bt technology has assisted the domestic seed industry to grow and the vibrancy is seen from the fact that the biotech seed industry market jumped two-fold from Rs. 1100 million (US \$ 25 m) in 2002-03 to Rs. 24800 million (US \$ 551 m) in 2010-11. India's share in world cotton increased from 14% to 21%. Bt cotton created a vibrant ginning and spinning industry and export increased from 0.1 m bale to 9 m bales. Cotton quality improvement has been a major gain. Bt cotton has contributed a whopping US \$ 9.4 billion to the farm economy during the last 10 years. Based on 12 studies, the profitability of cotton farmers increased to 76-250 US \$ per ha.

The technology is now in its 14th successful year, but then how long will it continue to deliver? If the technology is not upgraded, chances are that tech-fatigue may soon develop. It has already been seen that heavy incidence of white flies, CLCuV virus disease and other pests are emerging in the northern zone. Gujarat farmers too are facing the menace of the pink bollworm damage which may increase, because the farmers are not adopting the scientific method of refugia planting.

Biotechnology can give solutions to many intractable problems and if scientists are allowed to have a say in the production process, the pest problems now encountered by farmers can be mitigated.

In India, research is concentrated on the agro-physiological aspects such as; development of cultivars with compact and zero monopodia, so that per unit population can be raised to the levels of soybean. This technology is being tried with open pollinated varieties as well as the hybrids with Bt and gives us a window for improving the currently stagnated yield. Already a series of trials conducted at CICR Nagpur, have shown encouraging results for adopting the high density planting technology (HDPS) for dry land cultivation in Maharashtra. Similarly, using micro irrigation techniques have been tested over the years and very significant enhancement in yield levels have been observed.

Fertigation along with irrigation has also become the component of new agronomy for cotton. Thus without increasing the area, cotton

productivity in the range of 1000 kg lint per ha can be easily achieved in India in the next five years. Cotton harvesting technologies are undergoing smart changes in recent years. It is logical that once we have HDPS with zero monopodia cultivars with one time picking systems, mechanisation in cotton picking will occur at the commercial level. At present, several demonstration trials have shown promise and many strong business players are entering the field.

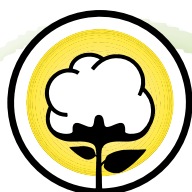
Bright days are forecast for Indian cotton, provided our policies are tuned to promote research, development and products in the international market. Cotton stakeholders are looking to the government to develop firm policies for cotton improvement. Necessary permissions for biotech products should be immediately accorded as and when the trials are complete. Cotton being an important cash earner of foreign exchange, sustainable technologies in GE such as the use of fibre genes, drought, salinity, nutrition efficiency genes and also the sucking pest transgenic development research, should be put on the fast track to make cotton production sustainable and profitable. However, the other side of local and global consumption also needs to be critically studied and acted upon, as cotton is facing challenging times.

Out of 82 million tonnes of the fibre market, cotton's share is now only 23 million tonnes and steadily declining. This natural fibre is losing out to man-made fibres, mainly polyester. The global cotton prices are at a six years low and unfortunately, attempts are made to shore up the falling prices by decreasing the production which will hit India the most. This negative approach has to be reversed by policy support to the textile industry as well as to the growers of the crop.

It is vital that Government programs concentrate on promoting this natural fibre not only in India, but also abroad. It is worthwhile to mention that The EU, the largest producer of olive oil spends Rs. 50 crores in India alone to increase the consumption of olive oil in our country. USDA also spends a sizable amount to promote their Washington Apple worldwide, including India, to increase its consumption. Similarly, India too should run a massive campaign to promote the use of cotton, so that not only our industry but also the farmers will benefit in the long run.

Courtesy : Cotton India 2015-2016

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



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The Cotton Sector in Egypt

By Rebecca Pandolph, ICAC

(Contd. from Issue No.5 dtd. 3rd May 2016)

1980s-1990s

Annual cotton production averaged 301,000 tons and peaked at 416,000 tons in 1993/94. The production side of the cotton sector was fully liberalized by 1994/95 and the following season was the first in which private traders had an opportunity to buy seed cotton, purchasing about one third of the crop of 255,000 tons. In 1995/96, the small volume of production (242,000 tons) increased competition among private and public traders and the private sector's share of seed cotton increased to 60%. In September 1996, the government fixed lint prices, delayed exports and called for a temporary halt to purchases. The higher prices encouraged more cotton plantings and production increased to 346,000 tons in 1996/97. Although international prices fell in the following year due to excess supply in the extra-fine market, the Egyptian government maintained the high floor prices in place, and production remained stable in 1997/98. However, it fell to around 230,000 tons per year in the next two seasons in response to lower prices.

In addition to liberalizing the agricultural sector, Egypt also liberalized the financial sector by dismantling controls on foreign exchange and encouraging private ownership in the public sector. These reforms made it easier for traders to export Egyptian cotton. However, the decline in production in the 1990s, coupled with steady consumption, meant that in many seasons the exportable surplus was not very large. The average volume of the

exportable surplus was around 60,000 tons, ranging from 14,000 to 143,000 tons.

2000-present

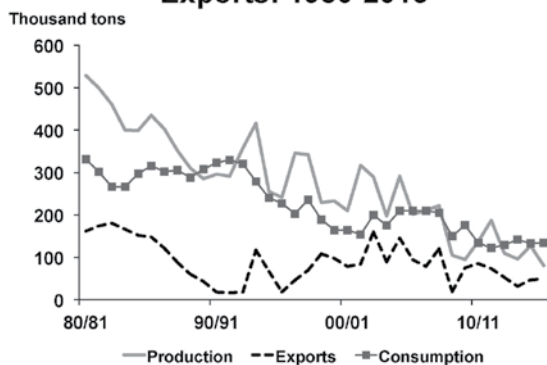
Since 2000/01, cotton production has been in decline, decreasing by 2% on average over the last 16 seasons. Egypt has historically been the largest producer of cotton in Africa, but in 2003/04, Burkina Faso overtook Egypt. Egypt has surpassed Burkina Faso as the largest cotton producer in only 3 of the 11 seasons since then and not since 2011/12. Mali has also consistently out produced Egypt since 2011/12 and has become the second largest producer in Africa. From 2000/01 through 20007/08, cotton production averaged 243,000 tons and exports 105,000 tons a year.

The world economy fell into recession during the harvest of the 2007/08 crop. In 2008/09, the area under cotton fell by 46% to 132,000 hectares due to low prices and rising costs, particularly the cost of labor since all Egyptian cotton is picked by hand. Yield declined by 12% to 795 kg/ha due to the late planting of the crop and production only reached 105,000 tons. In 2009/10 the planted area further contracted by 8% to 121,000 hectares, the lowest on record, due to continued low prices and better net profits from other crops such as grains. Production in 2009/10 is estimated at 95,000 tons. The area under cotton expanded by 30% to 157,000 hectares in 2010/11 and 40% to 221,000 hectares in 2011/12, boosted by higher prices and a government policy preventing an expansion of rice sowings that season. Production in turn also increased to 137,000 tons in

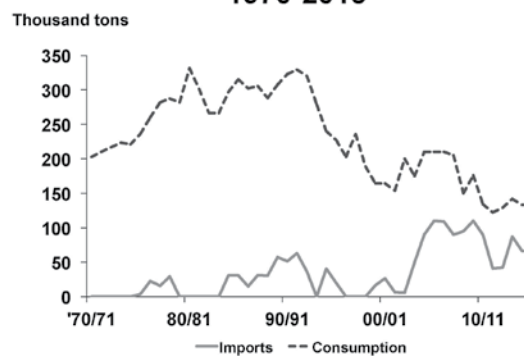


ICAC

Egypt Production Consumption & Exports: 1980-2015



Egypt Imports & Consumption: 1970-2015



2010/11 and 187,000 tons in 2011/12, a level that was not surpassed in the following three seasons. Despite the larger crop, exports declined by 7% to 93,000 tons in 2011/12, due to weak international demand and a brief period with imposed minimum export prices.

After the spike in 2011/12, area and production fell sharply in 2012/13 because farmers preferred to plant maize and rice and the announcement of indicative cotton prices by the government of Egypt was delayed until the fall when planting had already finished. The planted area contracted by 35% to 143,000 hectares, and production declined by 42% to 109,000 tons. In 2013/14, area decreased by 15% to 122,000 hectares and production by 12% to 96,000 tons. Both area and production were barely above the record lows experienced in 2009/10.

High cotton prices at planting time in 2014/15, particularly in comparison to maize and rice, encouraged increased cotton planting. Area rose by 29% to 158,000 hectares and production is estimated up by 33% to 127,000 tons. For the first time, the government also provided cash subsidies to cotton farmers for the harvested 2014 cotton crop. Additionally, spinners and exporters received subsidies for purchasing or exporting domestic cotton in order to encourage use of the increased production. However, the fall in international upland cotton prices, particularly compared to the premium price for Egyptian cotton, made the country's production less competitive, even with subsidies. In January 2015, the Egyptian government announced that it would discontinue subsidies to farmers and spinners in 2015. Furthermore, the government established a new policy in which farmers needed to contract with third parties, such as spinners, in order to qualify for subsidized fertilizer and seeds. Low prices and the lack of subsidies have discouraged farmers from planting cotton in 2015/16. The planted area is forecast to decline by 35% to 103,000 hectares, while production is projected down 37% to 81,000 tons, potentially setting a new low.

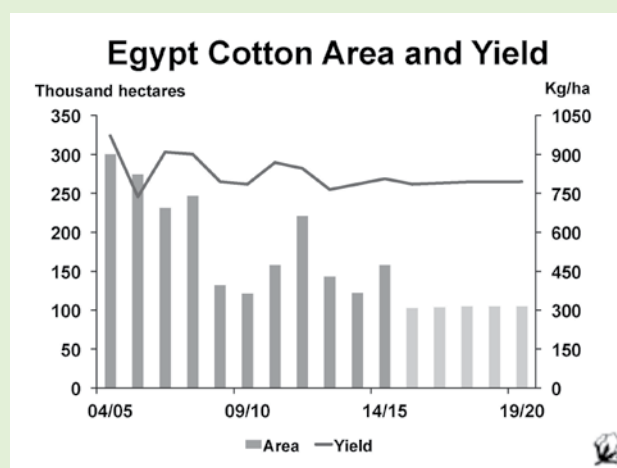
The spinning and textile sector in Egypt has also been targeted for privatization, but the process has been much slower than with the liberalization of the production side. Few mills were privatized by the target date of 2000. Large bank debts, obsolete machinery and excessive staffing levels made these companies unattractive to potential buyers. Although these mills were intended to be the main consumer of Egyptian cotton, the high prices of domestic cotton and the financial situation of many textile companies made local cotton less attractive. From 2007-2010, the privatization process was accelerated and foreign

textile companies were encouraged to establish facilities in new industrial zones close to Alexandria and Cairo to take advantage of cheap industrial land, energy and human resources. Consumption in the second half of the decade rose modestly to an average of 190,000 tons per year compared an average of 181,000 tons per year in the previous five seasons. Thus, cheaper imported cotton was relied on during the latter half of the 2000s.

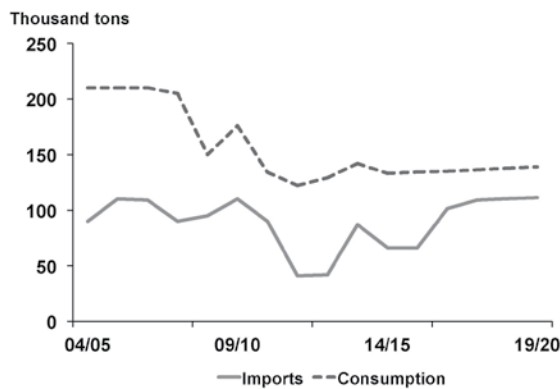
While production has slowly declined since 2000, consumption has remained relatively steady, averaging 185,000 tons per year, increasingly relying on imported cotton. Imports during this time grew from an average of 36,000 tons per year in the first half (2000/01-2004/05) to 103,000 tons per year in the second half to supply the domestic spinning sector. In October 2011, the Egyptian government imposed a ban on imports of cotton lint that lasted until March 2013. During the ban, imports were limited to spinning mills located in free trade zones while other mills had to rely on domestic cotton, which was priced much higher than imports. Cotton consumption decreased by 24% to 134,000 tons in 2010/11 and further by 9% to 122,000 tons in the following season. The lifting of the import ban at the end of the 2012/13 season supported the spinning sector outside the free trade zones and consumption partially recovered in 2012/13, increasing 6% to 129,000 tons. In 2013/14, consumption grew by 10% to 142,000 tons.

Challenges & Outlook

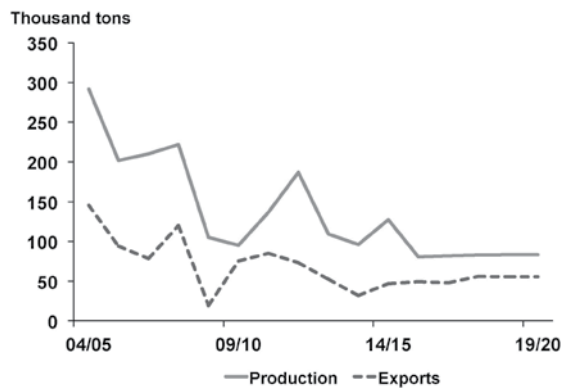
Egypt's cotton sector has undergone significant changes in the last fifty years. The shift toward liberalizing the agricultural sector, including the cotton subsector, exposes participants to higher risks, but also potentially enables greater rewards than under a regime where prices are set. However, time is also needed to adjust to this new environment. One of the effects of the liberalization of the agricultural sector is that farmers can now freely choose which crops to plant. Their decisions are accordingly based



Egypt Consumption and Imports



Egypt Production and Exports



on market prices and potential earnings in a given season. In Egypt, maize and rice have been staple food crops that compete with cotton. In addition, other food crops, such as fruits and vegetables, are also alternatives that have displaced cotton area in recent years. The limited availability of arable land in Egypt intensifies the competition among crops, particularly when prices for competing crops are higher and result in better profitability than cotton. Assuming that domestic and international cotton prices will not increase substantially in the next five years, cotton area in Egypt is highly unlikely to return to the levels seen during the 1960s and 1970s. Instead, the Secretariat forecasts that area will average 106,000 hectares per year for the next five seasons. The cost of production can also impact whether farmers decide to plant cotton or a competing crop. One issue specific to Egypt is that the country only grows extra-fine cotton, which can be more expensive to cultivate than upland cotton. Additionally, handpicked cotton is a labor-intensive activity and labor costs in Egypt are relatively high, which pushes up the cost of production. Machine-picking can reduce labor costs, but there is a potential loss in premiums since it can cause quality to deteriorate to a certain extent.

Yields are currently at their maximum potential and expected to remain around the same as in the last five seasons, averaging 795 kg/ha. This is close to its 55-year average of 818 kg/ha. Given the assumptions for area and yield, production can be expected to average around 82,000 tons a year for the next five years.

Given the expected lower production, Egypt will increasingly need to rely on imports in order to maintain mill use at the same level as in recent years. For several reasons, a shift toward using more imports in the spinning sector, even when domestic production has been greater, has already occurred. One important factor is that the type of machinery

used in the spinning sector is more suitable for short to medium staple fiber. In addition, domestic cotton is much more expensive to use than imports. Assuming that there are no import bans or high tariffs on cotton lint, imports could increase to over 100,000 tons a year, and consumption is projected to average 136,000 tons for the next five years.

Assuming a greater reliance on imports by the spinning sector, cotton lint exports are forecast to average 53,000 tons year, with around 70% of the harvest going to exports. Although Egypt is not a large exporter in the global cotton market, it is the second largest exporter of extra-fine cotton behind the United States. However, extra-fine cotton consumption accounts for about 2% of world cotton consumption and has not grown significantly in recent years.

Conclusion

The cotton sector in Egypt is at a crossroad. Egypt was for many years the largest producer of cotton in Africa, but production has been trending down in recent years as liberalization has allowed farmers to freely choose what crops to plant. Limited arable land and better perceived profitability from competing crops work to displace cotton area unless producer prices are very attractive, such as in 2014/15. The spinning sector in Egypt has remained more robust in recent years, but has little demand for domestic cotton. Thus, much of the cotton produced in Egypt is destined for exports, and is subject to international prices. Assuming the continuation of current policies and practices, it is unlikely that Egypt's production will return to the volumes seen in the 1960s and 1970s. On the other hand, consumption has the potential to remain strong, but will require access to imports.

Source : COTTON: Review of the World Situation
– Volume 68 – Number 5 – May-June 2015

SAGA OF THE COTTON EXCHANGE

By Madhoo Pavaskar

Chapter 9

Struggle For Survival

Battle Against Controls

While King Cotton was lamenting on the death of hedge trading in cotton, Mr. Dinesh Singh, the then Minister for Commerce in the Government of India suddenly came out with a surprise announcement in the Parliament on August 10, 1967, declaring that the Government had decided to discontinue all statutory controls on prices of cotton with effect from September 1, 1967. The announcement was made as if to console King Cotton on the loss of his 'futures'. Little then did King Cotton realise that this shift in the government policy was a forerunner for the state intervention in his 'spot' realm as well. As the subsequent events showed, the removal of statutory price controls paved the way for the State to enter the spot market in cotton.

As it is, the cotton price controls which were first introduced during the Second World War in the cotton season 1943-44 had long outlived their utility. So long as he was at the helm of affairs of the East India Cotton Association, Sir Purshotamdas had repeatedly made frontal attacks on these absurd controls, which denied the cotton growers a remunerative price for their produce without in any way benefiting the consumers of cloth. After Sir Purshotamdas left the Association, although the new President, Mr. Madanmohan Ruia, abandoned the policy of confrontation with the government, he nevertheless continued relentlessly the battle against cotton price controls while offering simultaneously full co-operation to the authorities in implementing the control policy.

As early as on January 15, 1959 at the reception held by the East India Cotton Association in honour of the then Minister for Commerce and Industry in the Government of India, Mr. Lal Bahadur Shastri, Mr. Ruia brought to his notice certain handicaps under which the cotton trade had been suffering, and referred specifically in this connection to the continued existence of price controls on cotton. While explaining that as a result of such a control, the prices of Indian cotton were not in parity with the world price level, he hastened to add that he was not mentioning this in any spirit of criticism of government policy, but to give the minister "an

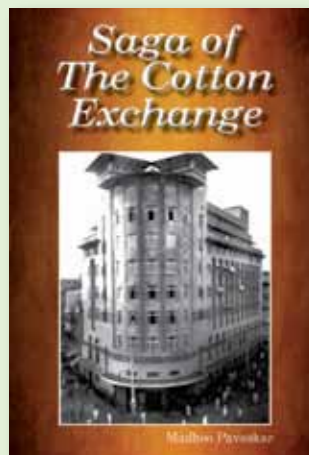
idea of the unnatural atmosphere and the restrictions under which the trade has to work in actual practice." He also pointed out that "the existence of a statutory price control makes it difficult to frame a well-balanced hedge contract catering to the needs of buyers and sellers alike," and added that the outcome of this situation was the diminution in the volume of business in the futures market.

Subsequently, the East India Cotton Association represented to the government "to do away with the floor and ceiling prices of cotton in view of the fact that they cannot be enforced in short supply years and that they are not needed when the supply is abundant". And if this suggestion were not acceptable for various reasons, the Association appealed to the government to at least "raise the ceiling so as to induce larger production of cotton and also to make it permissible for trading without resorting to subterfuge."

At the Thirty-eighth Annual General Meeting of the Association held on July 27, 1960, Mr. Madanmohan Ruia once more rightly observed that "the natural forces of demand and supply should regulate the prices, with rise and fall being checked by controlling imports and exports." Again, presiding over the

Fortieth Annual General Meeting held on February 19, 1962, Mr. Ruia repeated that either "the price control on cotton be lifted, or in the alternative the present ceilings which are fixed in 1951-52 be revised so as to bring them to realistic levels." He then argued that the cost of production of cotton had increased considerably since 1951-52 and a revision in ceiling was therefore urgently called for. Hence, to safeguard the interests of the cotton growers, he fervently appealed to the government "to take the necessary steps before it is too late."

Although the government then did not remove the price controls as desired by the cotton trade, it realised that the unrealistically low ceilings were hurting the farmers and affecting the cotton production adversely. It therefore conceded, albeit partially, the demand of the trade and raised the ceiling prices for the different varieties of cotton by approximately Rs.35 per quintal, or nearly Rs. 125 per candy (of 784 lbs or 355.72 kg.), from the



beginning of the cotton season 1962-63. Thus, the ceiling price of Moglai Jarilla 25/32", which had remained unchanged at Rs.820 per candy for more than a decade, was raised to Rs. 947 in 1962-63. The revision of price ceilings had a tonic effect on the cotton production in the country, which increased from 4.6 million bales in 1961-62 to 5.7 million in 1964-65.

The revised price ceilings, however, continued for three successive cotton seasons, during which period the general price level in the economy had advanced further by as much as 20 per cent. In fact, cotton prices were ruling most of the time at the prescribed ceiling levels during 1963-64 and 1964-65, affecting adversely the returns to cotton growers. Fearing that if this trend were to continue, there would be a shift in cotton acreage to other more lucrative crops, Mr. Ruia warned the government at the Forty-third Annual General Meeting of the East India Cotton Association held on February 17, 1965, that "the prices of foodgrains and of other commodities have risen substantially during the last year as compared with the prices of cotton", and if something were not done to ensure more equitable returns to cotton growers, "cotton production in the country may suffer during the subsequent year." He therefore reiterated that "it would be desirable to remove the floor and ceiling prices and to keep only support prices at suitable levels from next year" and added that even though there might be a period of adjustment for some time, the removal of price controls "would go a long way to stimulate production of cotton more rapidly."

On July 16, 1965, the Government of India announced the cotton policy for the 1965-66 season. The floor and ceiling prices were raised for all the varieties of cotton, the increase in floors varying from Rs. 20.80 to Rs. 42.80 per quintal and that in ceilings from Rs. 17 to Rs. 43. Unfortunately, with sowings already completed in most of the cotton growing tracts, the government announcement came rather late in the day to rectify the situation. Unsurprisingly, as apprehended earlier by Mr. Ruia, the cotton production in the country slumped to 4.8 million bales in 1965-66 from 5.7 million in the previous year. Small wonder, cotton prices once again climbed the revised ceiling levels during most of that season.

The cotton policy for the 1966-67 season announced on July 6, 1966, showed little material change from that of the previous season. Actually, since 1962-63 the general commodity price level in the country had risen by as much as 35 per cent. In contrast, cotton prices were reluctantly allowed to rise by just about 8 per cent over a period of 4 years—thanks to the absurd statutory price controls. It was clear that the cotton production during 1966-67 would not exceed 5 million bales. As the new

cotton season began, prices of almost all varieties of cotton were already piercing the prescribed ceilings. To enforce the ceilings, movement of cotton was regulated within and from all cotton growing areas. Maximum stock limits were imposed on mills. Some cotton was also requisitioned in the Punjab, which, however, led to mass suspension of ginning and pressing operations, aggravating in the process the short supply position.

Finally, to relieve the situation, on December 3, 1966, the government announced a five per cent increase in ceiling prices of different varieties of cotton and one day extra closure per week for the textile mills. Disappointingly, the increase in the ceilings was too small to provide any relief to the market, especially when the supply situation continued to remain tight. Not surprisingly, prices reached the revised ceilings no sooner did they come into effect on December 5, 1966. A massive programme of requisitioning of cotton was taken in hand by the government from February 1967, and about 100,000 bales were requisitioned from different States till the end of the season. On April 12, 1967, the Reserve Bank of India subjected the advances against cotton and kapas to a severe credit squeeze. All this, however, was of little avail and cotton prices continued to rule at the statutory ceilings throughout the season.

In those trying times, the cotton trade was in a precarious position. As Mr. Madanmohan Ruia had so succinctly put it in his press statement issued on December 2, 1966, the trade had "the Hobson's choice of buying kapas (which has no official ceilings) whose cost after ginning exceeds official ceilings, or abstain from buying and thus come in the way of marketing of the produce and blocking the supply line to the industry." Mr. Ruia therefore urged the government to note that "the ceilings, which in the past also have been ineffective when most needed, are clearly unenforceable now, and in the context of this background, the only course is to accept the unanimous demand of growers, trade and industry to do away with ceilings prices immediately."

Later, as the situation failed to improve, a delegation of the Board of the East India Cotton Association waited upon the Union Commerce Minister in April 1967, and impressed upon him the need for removing the ceiling prices on cotton and maintaining adequate support prices. As even these efforts failed, the East India Cotton Association convened on June 5, 1967, in Bombay an All-India Cotton Conference in which besides EICA, all up-country cotton trade associations, a number of cotton cooperative marketing societies and some prominent millowners participated.

(To be continued)

Production of Fibres

(In Mn. Kg)

As on	Raw Cotton (Oct.-Sept.)	Synthetic			Cellulosic	Sub Total
		PSF	ASF	PPSF	VSF	
2005-06	4097	628.15	107.81	3.08	228.98	968.02
2006-07	4760	791.99	97.13	3.52	246.83	1139.47
2007-08	5219	879.61	81.23	3.43	279.90	1244.17
2008-09	4930	750.12	79.50	3.44	232.75	1065.81
2009-10	5185	872.13	90.45	3.38	302.09	1268.05
2010-11	5763	896.33	79.48	3.74	305.10	1284.65
2011-12	5899	829.74	77.71	4.08	322.64	1234.17
2012-13	--	848.05	73.59	4.26	337.49	1263.39
2013-14	--	845.95	96.12	3.71	361.02	1306.80
2014-15 (P)	--	881.56	92.54	4.62	365.17	1343.89
2015-16 (Apr.-Feb.) (P)	--	816.31	98.00	4.30	313.82	1232.43
2013-14 (P)						
April	--	65.66	8.26	0.27	26.39	100.58
May	--	70.67	8.54	0.31	30.80	110.32
Jun	--	71.56	8.08	0.30	30.51	110.45
Jul	--	72.26	7.78	0.34	30.97	111.35
August	--	74.67	8.26	0.32	31.44	114.69
September	--	72.29	8.58	0.22	29.58	110.67
October	--	72.67	8.63	0.28	30.98	112.56
November	--	68.28	8.28	0.31	29.96	106.83
December	--	70.68	8.62	0.31	30.88	110.49
January	--	70.40	6.76	0.32	30.86	108.34
February	--	64.87	7.01	0.33	27.61	99.82
March	--	71.94	7.32	0.40	31.04	110.70
2014-15 (P)						
April	--	70.24	8.52	0.38	29.91	109.05
May	--	70.79	7.48	0.36	31.30	109.93
June	--	70.62	8.32	0.36	28.62	107.92
July	--	81.56	6.26	0.33	30.72	118.87
August	--	74.63	8.67	0.36	30.68	114.34
September	--	68.45	7.82	0.40	30.14	106.81
October	--	72.14	8.35	0.36	31.16	112.01
November	--	70.08	7.57	0.40	30.21	108.26
December	--	75.14	8.46	0.44	31.58	115.62
January	--	79.00	6.04	0.40	31.47	116.91
February	--	73.32	7.29	0.40	28.07	109.08
March	--	75.59	7.76	0.43	31.31	115.09
2015-16 (P)						
April	--	73.62	9.45	0.35	28.62	112.04
May	--	75.55	9.50	0.30	18.42	103.77
June	--	67.17	7.88	0.31	19.50	94.86
July	--	70.75	9.15	0.40	29.70	110.00
August	--	74.07	9.35	0.47	30.63	114.52
September	--	74.24	7.95	0.46	30.42	113.07
October	--	76.66	9.23	0.38	31.34	117.61
November	--	74.98	8.15	0.30	30.72	114.15
December	--	76.65	9.36	0.45	31.49	117.95
January	--	79.10	9.40	0.46	31.49	120.45
February	--	73.52	8.58	0.42	31.49	114.01

(P)= Provisional

Source : Office of the Textile Commissioner

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) 2015-16 Crop MAY 2016					
Sr. No.	Growth	Grade Standard	Grade	Staple	Micronaire	Strength /GPT	2nd	3rd	4th	5th	6th	7th
1	P/H/R	ICS-101	Fine	Below 22mm	5.0-7.0	15	8998 (32000)	8998 (32000)	8998 (32000)	9055 (32200)	9055 (32200)	9055 (32200)
2	P/H/R	ICS-201	Fine	Below 22mm	5.0-7.0	15	9139 (32500)	9139 (32500)	9139 (32500)	9195 (32700)	9195 (32700)	9195 (32700)
3	GUJ	ICS-102	Fine	22mm	4.0-6.0	20	5568 (19800)	5624 (20000)	5624 (20000)	5624 (20000)	5624 (20000)	5624 (20000)
4	KAR	ICS-103	Fine	23mm	4.0-5.5	21	7311 (26000)	7367 (26200)	7367 (26200)	7367 (26200)	7367 (26200)	7367 (26200)
5	M/M	ICS-104	Fine	24mm	4.0-5.0	23	8548 (30400)	8605 (30600)	8605 (30600)	8605 (30600)	8605 (30600)	8605 (30600)
6	P/H/R	ICS-202	Fine	26mm	3.5-4.9	26	9645 (34300)	9645 (34300)	9645 (34300)	9701 (34500)	9701 (34500)	9701 (34500)
7	M/M/A	ICS-105	Fine	26mm	3.0-3.4	25	8127 (28900)	8183 (29100)	8155 (29000)	8155 (29000)	8155 (29000)	8155 (29000)
8	M/M/A	ICS-105	Fine	26mm	3.5-4.9	25	8998 (32000)	9055 (32200)	9026 (32100)	9026 (32100)	9026 (32100)	9026 (32100)
9	P/H/R	ICS-105	Fine	27mm	3.5-4.9	26	9926 (35300)	9926 (35300)	9926 (35300)	9983 (35500)	9983 (35500)	9983 (35500)
10	M/M/A	ICS-105	Fine	27mm	3.0-3.4	26	8436 (30000)	8492 (30200)	8464 (30100)	8464 (30100)	8464 (30100)	8464 (30100)
11	M/M/A	ICS-105	Fine	27mm	3.5-4.9	26	9251 (32900)	9308 (33100)	9280 (33000)	9280 (33000)	9280 (33000)	9280 (33000)
12	P/H/R	ICS-105	Fine	28mm	3.5-4.9	27	10067 (35800)	10067 (35800)	10067 (35800)	10123 (36000)	10123 (36000)	10123 (36000)
13	M/M/A	ICS-105	Fine	28mm	3.5-4.9	27	9561 (34000)	9617 (34200)	9589 (34100)	9589 (34100)	9589 (34100)	9589 (34100)
14	GUJ	ICS-105	Fine	28mm	3.5-4.9	27	9561 (34000)	9617 (34200)	9589 (34100)	9589 (34100)	9589 (34100)	9589 (34100)
15	M/M/A/K	ICS-105	Fine	29mm	3.5-4.9	28	9786 (34800)	9842 (35000)	9814 (34900)	9814 (34900)	9814 (34900)	9814 (34900)
16	GUJ	ICS-105	Fine	29mm	3.5-4.9	28	9758 (34700)	9814 (34900)	9786 (34800)	9786 (34800)	9786 (34800)	9786 (34800)
17	M/M/A/K	ICS-105	Fine	30mm	3.5-4.9	29	10095 (35900)	10151 (36100)	10123 (36000)	10123 (36000)	10123 (36000)	10123 (36000)
18	M/M/A/K/T/O	ICS-105	Fine	31mm	3.5-4.9	30	10404 (37000)	10461 (37200)	10432 (37100)	10432 (37100)	10432 (37100)	10432 (37100)
19	A/K/T/O	ICS-106	Fine	32mm	3.5-4.9	31	10657 (37900)	10714 (38100)	10686 (38000)	10686 (38000)	10686 (38000)	10686 (38000)
20	M(P)/K/T	ICS-107	Fine	34mm	3.0-3.8	33	13919 (49500)	13919 (49500)	13919 (49500)	13919 (49500)	13919 (49500)	13919 (49500)

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