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Restructured TUF Scheme To Continue in FY 2012-13 - Report TxC

The Office of the Textile Commissioner has issued the much awaited circular for continuation of Restructured Technology Upgradation Fund Scheme (R-TUFS) for the year 2012-13.

In pursuance of the decision taken during the 6th meeting of Inter-Ministerial Steering Committee (IMSC) under R-TUFS held last month, it was decided that the R-TUFS will be continued in the year 2012-13 with the conditions laid down by the Department of Expenditure on April 23, 2012.

Accordingly, the Office of Textile Commissioner will now continue to issue Unique Identity Numbers (UIDs) in respect of new sanctions i.e., sanctions issued by lending agencies on or after April 01, 2012 under the Restructured TUFS in 2012-13 to the extent of unutilized amount of the subsidy cap of Rs. 1972 crore / full tenure subsidy of Rs. 7052 crore and the sectoral caps thereunder whichever is reached earlier.

The lending agencies would be allowed to furnish

online applications with immediate effect but UID numbers would be issued only after 16 July 2012, after assessing the unutilized subsidy cap and the sectoral caps thereunder on 'first come first served basis' to the extent of availability as mentioned above.

The circular clarified that mere submission of online application on website of office of the Textile Commissioner does not entitle the Lending Agencies/Investor to any right/claim of subsidy under the Restructured TUFS continued during 2012-13. The entrepreneurs have, therefore been advised to refer the availability of sectoral caps on the official website to Textile Commissioner.

It may be noted here that the caps of Rs. 1972 crore and Rs. 7052 crore shall be applied after deducting Rs. 114 crore for 15%/ 20% MMS schemes being operated by office of Textile Commissioner not subjected to online UID issue mechanism.

(Source: Tecoya Trend - 17.06.2012)

Minimum Support Price for Kharif Crops Raised

The government has increased the minimum support price (MSP) for the kharif season in a range of 16-53 percent based on the suggestion and recommendations made by the Commission for Agriculture Costs and Prices (CACP) to motivate farmers and compensate for higher input costs.

The CACP has suggested sharp increase in MSP of pulses and oilseeds to boost domestic output and reduce the country's import bill. Higher MSP

has been fixed not only to cover rising input costs but also provide better returns to farmers.

The most common kharif crop paddy has seen minimum growth of over 15 per cent, while maximum increase has been done in the case of jowar with over 53 per cent.

The MSP of cotton has been increased by up to 28 per cent to Rs 3,600 and 3,900 per quintal for medium and long staple, each.

Indian Growers Look to Alternative Crops

If the sales of cotton seeds are any indication of farmers' planting intentions in India, the natural fiber will be losing some ground to alternative crops. As per news report, cotton seed sales are down about 50 percent from last year in Gujarat and Maharashtra, the country's top two seed-producing States. Seed companies in India's northern states have fared better but still suffered a drop of 15 percent in sales. Declining prices are the primary reason for farmers' lack of enthusiasm for cotton growing.

After two years of above-average cotton prices, the bottom has dropped out due to waning demand at the mill and retail levels, as well as an abundance of fiber in global stocks. The primary beneficiaries of the change are other kharif crops such as guar, soybeans and groundnuts. Making things worse for

seed companies is the abundance of illegal seed flooding the market. Produced without an official license from whatever company has the patent on the technology, illegal seeds cost about half as much as the branded version, making them an attractive option for growers trying to reduce their input costs to make up for declining prices.

Despite all of these issues, however, experts predict that cotton acreage in India won't decline by more than 10 percent. Farmers with the ability to irrigate their crops might opt for groundnuts if the monsoon comes on time, but if the rains are delayed or the farmers don't have irrigation facilities cotton will fare better, competing only with castor seed for planting space.

(Source: Cotton International - 07.06.2012)

World Cotton Exports & Imports

(Millions of 480 lb. bales)

	2007/08		2008/09		2009/10		2010/11		2011/12 May		2011/12 June	
	Exp.	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.	Imp.
India	7.5	0.6	2.4	0.8	6.6	0.5	5.0	0.5	4.8	0.5	4.8	0.5
Pakistan	0.3	3.9	0.4	1.9	0.7	1.6	0.5	1.5	0.4	1.4	0.4	1.3
Turkey	3.1	3.3	1.9	2.9	1.8	4.4	2.1	3.4	2.8	3.5	2.9	3.5
Argentina	0.0	1.0	0.1	1.0	0.1	1.0	0.4	1.1	0.4	1.1	0.4	1.1
Mexico	0.6	1.5	0.6	1.3	0.4	1.4	0.7	1.4	1.0	1.4	1.1	1.3
United States	13.6	-	13.3	-	12.0	-	15.0	-	13.5	-	13.0	-
Brazil	2.2	-	2.7	-	2.0	-	2.0	-	4.5	-	4.6	-
Uzbekistan	4.2	-	3.0	-	3.8	-	2.8	-	3.4	-	3.2	-
Australia	1.2	-	1.2	-	2.1	-	2.8	-	4.3	-	4.5	-
A F Zone	1.7	-	1.5	-	1.4	-	1.3	-	1.6	-	1.6	-
EU-27	1.6	-	1.0	-	1.1	-	1.0	-	1.3	-	1.4	-
Turkmenistan	0.8	-	0.6	-	1.1	-	1.0	-	1.1	-	1.1	-
Greece	1.3	-	0.8	-	0.9	-	0.8	-	1.1	-	1.1	-
Burkina	0.8	-	0.8	-	0.8	-	0.7	-	0.8	-	0.9	-
Mali	0.5	-	0.3	-	0.4	-	0.5	-	0.5	-	0.5	-
Zimbabwe	0.4	-	0.3	-	0.4	-	0.4	-	0.5	-	0.4	-
Benin	0.5	-	0.4	-	0.4	-	0.3	-	0.4	-	0.4	-
China	-	11.5	-	7.0	-	10.9	-	12.5	-	16.0	-	16.0
Bangladesh	-	3.5	-	3.8	-	3.8	-	3.9	-	4.0	-	4.0
Indonesia	-	2.3	-	2.0	-	2.2	-	1.8	-	2.0	-	2.0
Vietnam	-	1.2	-	1.3	-	1.7	-	1.7	-	1.9	-	1.9
Thailand	-	1.9	-	1.6	-	1.8	-	1.6	-	1.8	-	1.7
South Korea	-	1.0	-	1.0	-	1.0	-	1.1	-	1.1	-	1.1
Taiwan	-	1.0	-	0.8	-	1.0	-	0.8	-	1.0	-	0.9
Russia	-	1.1	-	0.9	-	0.8	-	0.6	-	0.6	-	0.6
Egypt	-	0.4	-	0.4	-	0.6	-	0.5	-	0.6	-	0.5
Hong Kong	-	0.4	-	0.3	-	0.4	-	0.3	-	0.4	-	0.3
Japan	-	0.6	-	0.4	-	0.3	-	0.4	-	0.3	-	0.4
Rest of World	5.4	4.8	3.7	3.7	4.3	3.9	3.8	4.2	4.2	3.7	4.1	3.6
World Total	39.0	38.9	30.1	30.2	35.6	36.2	35.9	35.9	39.9	39.9	39.4	39.4

Source: USDA

Secretary Textiles, Government of India Visits CAI

Smt. Kiran Dhingra, Secretary, Ministry of Textiles, Government of India visited the Association premises at Cotton Green on Friday, the 22nd June



Smt. Kiran Dhingra, inaugurating the CIA's photo museum

2012. CAI President, Shri Dhiren N. Sheth alongwith his team welcomed the visiting guest.

On the occasion of her visit, Smt. Kiran Dhingra inaugurated a small photo museum set up by the Association depicting the old glory of its Cotton Exchange Building at Kalbadevi.

Smt. Kiran Dhingra was apprised of the infrastructure and facilities available at the Association.

Powerpoint presentation were made to apprise Smt. Kiran Dhingra, about the role and activities of the CAI including the cotton development programmes being undertaken by the Association through its research wing - COTAAP Research Foundation and its cotton promotion plans.



Smt. Kiran Dhingra being apprised about the Grade Standard Boxes of CAI



Smt. Dhingra being briefed about the functioning of the CAI Laboratory in Mumbai



Shri Sheth making presentation on the role and activities of CAI



CAI team with the visiting guests in front of the statue of Sir Purushottamdas Thakurdas



Smt. Kiran Dhingra with the CAI team

Indian Minister Moots Govt. Study on Bt Cotton

Bt cotton has brought about a "structural transformation" in Indian farming, Rural Development Minister Shri Jairam Ramesh has stated. He floated a proposal for carrying out a Government study to ascertain if genetically modified crops are a sustainable alternative.

Addressing a National Conference on 10 years of Bt. Cotton in India, the Minister stated that more than 95 percent of the farmers in different cotton cultivating States in the country have gradually shifted to Bt cotton. He added that such a massive shift to Bt cotton would not have been possible, unless the farmers got increased returns.

Shri Jairam also noted that with the use of Bt cotton seeds, there has been a significant reduction in the use of pesticides.

Mr. Jairam said that he does not consider Bt cotton to be a failure, as it has brought about a structural transformation in cotton cultivation. However, he said there are several scientific queries that still need to be answered and recommended a Government study analysing the sustainability of Bt cotton as a viable option.

(Source: Fibre2fashion - 15.06.2012)

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) 2011-12 Crop June 2012					
Sr. No.	Growth	Grade Standard	Grade	Staple	Micronaire	Strength /GPT	18th	19th	20th	21st	22nd	23rd
1	P/H/R	ICS-101	Fine	Below 22mm	5.0 – 7.0	15	9954 (35400)	9898 (35200)	10011 (35600)	10011 (35600)	10011 (35600)	10011 (35600)
2	P/H/R	ICS-201	Fine	Below 22mm	5.0 – 7.0	15	10292 (36600)	10236 (36400)	10348 (36800)	10348 (36800)	10348 (36800)	10348 (36800)
3	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	20	7283 (25900)	7283 (25900)	7339 (26100)	7283 (25900)	7283 (25900)	7339 (26100)
4	KAR	ICS-103	Fine	23mm	4.0 – 5.5	21	7930 (28200)	7930 (28200)	7986 (28400)	7986 (28400)	7930 (28200)	7930 (28200)
5	M/M	ICS-104	Fine	24mm	4.0 – 5.5	23	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.
6	P/H/R	ICS-202	Fine	26mm	3.5 – 4.9	26	8773 (31200)	8717 (31000)	8802 (31300)	8661 (30800)	8605 (30600)	8689 (30900)
7	M/M/A	ICS-105	Fine	26mm	3.0 – 3.4	25	8070 (28700)	8070 (28700)	8155 (29000)	8099 (28800)	8099 (28800)	8155 (29000)
8	M/M/A	ICS-105	Fine	26mm	3.5 – 4.9	25	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.
9	P/H/R	ICS-105	Fine	27mm	3.5 – 4.9	26	9308 (33100)	9251 (32900)	9280 (33000)	9139 (32500)	9111 (32400)	9167 (32600)
10	M/M/A	ICS-105	Fine	27mm	3.0 – 3.4	26	8239 (29300)	8239 (29300)	8323 (29600)	8239 (29300)	8239 (29300)	8295 (29500)
11	M/M/A	ICS-105	Fine	27mm	3.5 – 4.9	26	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.
12	P/H/R	ICS-105	Fine	28mm	3.5 – 4.9	27	9392 (33400)	9336 (33200)	9336 (33200)	9195 (32700)	9139 (32500)	9223 (32800)
13	M/M/A	ICS-105	Fine	28mm	3.5 – 4.9	27	8858 (31500)	8858 (31500)	8998 (32000)	8998 (32500)	8998 (32000)	9055 (32200)
14	GUJ	ICS-105	Fine	28mm	3.5 – 4.9	27	8998 (32000)	8998 (32000)	9139 (32500)	9139 (32500)	9139 (32500)	9280 (33000)
15	M/M/A/K	ICS-105	Fine	29mm	3.5 – 4.9	28	9167 (32600)	9167 (32600)	9280 (33000)	9280 (33000)	9280 (33000)	9336 (33200)
16	GUJ	ICS-105	Fine	29mm	3.5 – 4.9	28	9280 (33000)	9280 (33000)	9420 (33500)	9364 (33300)	9364 (33300)	9505 (33800)
17	M/M/A/K	ICS-105	Fine	30mm	3.5 – 4.9	29	9420 (33500)	9420 (33500)	9561 (34000)	9505 (33800)	9505 (33800)	9561 (34000)
18	M/M/A/K/T/O	ICS-105	Fine	31mm	3.5 – 4.9	30	9814 (34900)	9814 (34900)	9983 (35500)	9898 (35200)	9898 (35200)	9954 (35400)
19	K/A/T/O	ICS-106	Fine	32mm	3.5 – 4.9	31	10095 (35900)	10095 (35900)	10264 (36500)	10264 (36500)	10264 (36500)	10348 (36800)
20	M(P)/K/T	ICS-107	Fine	34mm	3.0 - 3.8	33	12935 (46000)	12935 (46000)	12935 (46000)	12795 (45500)	12795 (45500)	12935 (46000)

(Note: Figures in bracket indicate prices in Rs./Candy) N.Q. = Not Quoted