



Cotton Statistics And News

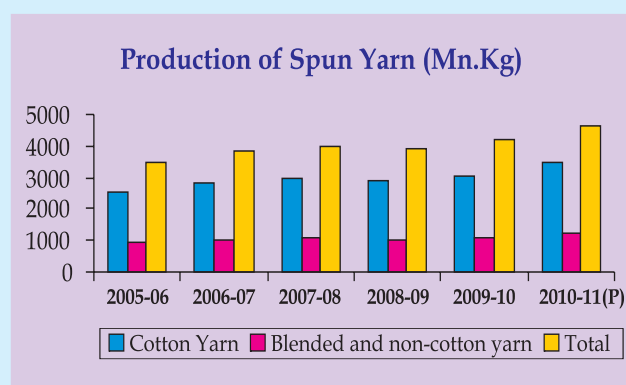
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Edited & Published by Amar Singh

Cotton Yarn Production Grows Faster than Total Yarn Production

The data available from the office of the Textile Commissioner indicate that the rate of increase in the production of cotton yarn has excelled that of total yarn production. The relevant data are given below:

Production of Spun Yarn (M. Kg.)			
Year	Cotton Yarn	Blended & Non-Cotton Yarn	Total
2005-06	2521	937	3458
2006-07	2824	989	3813
2007-08	2948	1055	4003
2008-09	2896	1016	3912
2009-10	3079	1114	4193
2010-11 (Prov.)	3443	1204	4647



As may be observed, while the production of total yarn went up by 34.4 per cent since 2005-06, that of cotton yarn was higher by 36.5 per cent. There had been apprehensions that due to

the rise in production cost, cotton yarn output will not be able to compete with that of non-cotton yarn. However, the production of non-cotton yarn increased by only 28.4 per cent between 2005-06 and 2010-11 whereas the increase was higher at 36.5 per cent in cotton yarn production. This perhaps goes to show the consumer preference for cotton as it has been reported that cotton cloth is now preferred over blended and synthetics even in the fashion wear segment.

Alongwith the increase in production, consumption and trade in cotton yarn have also gone up as may be seen from the data in the accompanying table.

Year	Production	Consumption	(In M. Kg)	
			Imports	Exports
2005-06	2521	1980	4.6	552
2006-07	2824	2188	8.0	615
2007-08	2948	2277	7.1	664
2008-09	2896	2363	4.9	556
2009-10	3079	2495	5.4	589
2010-11(P)	3443	2656	5.0	720

While production registered a rise of 37 per cent between 2005-06 and 2010-11, consumption went up by 34 per cent. Yarn exports also posted a growth of 30 per cent during the period while imports came down to 5 million kg from the level of 8 million kg in 2006-07.

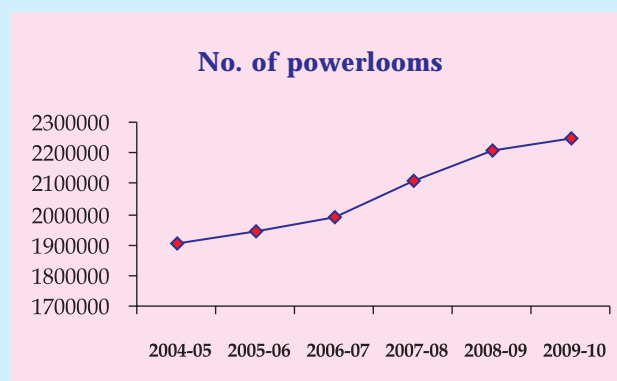
Powerloom Sector Emerges As the Major Clothier of the Nation

The rapid and substantial growth made by the powerloom sector has enabled it emerge as the major clothier of the nation for some years now. The growth registered by powerlooms can be noted from the data given below:

Year	No. of Registered Powerloom Units	No. of Powerlooms
2004-05	4,25,792	19,02,953
2005-06	4,33,613	19,43,792
2006-07	4,40,172	19,90,308
2007-08	4,69,563	21,06,370
2008-09	4,94,032	22,04,734
2009-10	5,05,265	22,46,474

It will be noticed that as many as 79,468 powerloom units have been newly set up during the last five years. The number of powerlooms during the period has gone up by 3,43,521. This steady growth of powerlooms has enabled the sector to emerge as the major clothier of the

nation for quite a few years now. Presently according to the data published by the Textile Commissioner, about 62 per cent of the total cloth production in the country is contributed by powerlooms. In the case of non-cotton fabrics alone, the share of powerlooms is as high as 93 per cent while in the blended fabrics category their share is 71 per cent. With the dominance of powerloom, the share of the organised mill sector in the total cloth production has been gradually shrinking and is at present only about five per cent.



Cotton Success Story

Across the large cotton growing States, Bt. cotton technology seeds are improving the lives of Indian farmers by providing them with savings on insecticide, higher yields, higher income. Cotton production in Andhra Pradesh increased two-and-three-quarter times since the first planting of Bt cotton seeds, and farmers earn Rs.4,500 crore incremental income per annum by using the hybrid Bt. cotton seeds, as opposed to non-Bt varieties. The power of plant technologies cannot be denied as they lifted India to the position of world's second largest producer and exporter of cotton, from being a large importer until 2002.

Today, the cotton farmer has more choices than ever before with 300 Bt cotton hybrids approved by the Government for cultivation. The Indian farmer has rapidly adopted higher-yielding hybrid seeds with Bt cotton technologies, twice as fast as US farmers and a third faster than Chinese farmers which shows a clear sign of the robust value derived from these technologies. Studies reveal that 87 percent of India's Bt cotton farmers enjoy better life styles, 72 percent invested in their children's education and significant 67 percent repaid their long pending debts.

It is said that Indian farmers will become dependent on foreign companies as seeds are imported. First, Indian cotton farmers have the widest choice as India is the world's most competitive market for cotton seed. Bt cotton technology is available from five different sources, including Indian and global technologies, with one source being the Government of India's CICR. Second, more than 350 Bt cotton hybrids are approved for use by the Government of India, providing the farmers with a wide choice. In India, it is compulsory to test and register all seeds at local State Agriculture Universities within the ICAR system. This ensures that only good quality locally relevant seeds are available. Farmers always only buy seeds developed to suit their agronomic and environmental conditions. In any case, the actual seed is produced by the Indian companies. Even in Bt cotton that is the only GM crop approved and is being used in India, 90 percent of the seed used by the farmer is produced by Indian companies. No Bt cotton seed is imported and sold to the farmers.

(Based on Article appeared in Business Line - 01.07.2011)

First Programme under 'Learn with CAI' Series for 2010-11 season Organised on 'Incoterms'

The Association has been conducting training programmes on various topical subjects under the 'Learn with CAI' series to enhance the skills and expertise of its members in various aspects of cotton business. Expert faculty specialized on the subjects guides the participants about various aspects of topics and their relevance to the Cotton Trade.

The first programme for the cotton season 2010-11 was organised by CAI on 'Incoterms' on Saturday, the 25th June 2011 in the Conference Room of the Association.



One of the participant welcoming Shri Ajit Shah with a Bouquet of Flowers

Shri Ajit Shah, an eminent personality in the field of Exports and Imports made a detailed presentation on various aspects of Incoterms 2010. In his presentation, he lucidly explained the responsibilities of buyers and sellers with regard to delivery, insurance, custom procedure, etc. under each of the 11 Incoterms which came into effect since March 2011.



A cross section of participants

Shri Pradeep Gujarathi, Director, CAI proposed a vote of thanks and expressed his gratitude to Shri Ajit Shah for interesting and interactive lecture on the topic 'Incoterms'. He also thanked all the participants for their active involvement

in understanding and clarifying doubts in the programme.



Shri Pradeep Gujarathi, Director, CAI proposing vote of thanks

The programme was well received by the participants and they reacted with great enthusiasm to know more about such programmes in future.

Delayed Rains may Hit Sowing Across West India

Delayed monsoon rains in Gujarat, Maharashtra and Rajasthan are expected to impact the sowing of key crops such as cotton, groundnut, soybean, etc. According to the India Meteorological Department, monsoon is likely to remain subdued over the next three and four days in these States as the monsoon current has become weak. The advanced pre-monsoon showers across the western region of the country had raised hopes of rains on time during sowing. At a few places across the three States, farmer might have to go for re-sowing due to the recent inclement weather.

In Maharashtra, where the monsoon set in two days ahead of its schedule, rainfall has been insufficient for sowing of kharif crops. Over 50 percent of cotton sowing had been completed which has the largest cotton acreage in the country, by June 27 last year. This year, only 18 percent sowing has been completed during the same period.

As per the available data, cotton has been sown on over five lakh hectares in Gujarat and in Rajasthan, around 90 percent of cotton sowing has been completed.

Source: Economic Times - 01.07.2011

SNIPPETS

As per report, cotton imports by Pakistan, the fourth largest grower, may plunge 75 percent next year as the nation aims to boost the domestic harvest to a record. Pakistan's output next year may climb to 14.97 million bales, from 11 million bales this year. The Ministry of Food and Agriculture informed. The area under cotton may increase 26 percent to 8.2 million bales, the ministry said.



Cotton farmers in Texas may abandon a record number of acres after the worst drought in at least a century damaged plants and boosted costs for textile makers. About 55 percent of the Texas cotton fields were in poor or very

poor condition on June 26, matching the record low in 2006, the US Department of Agriculture said. More than 70 percent of the state was experiencing exceptional drought as of June 21.



Cotton arrivals in wholesale markets rose by 4.8 per cent compared to last year to touch 304.5 lakh bales by the last week of June, according to the Cotton Corporation of India. Arrivals in the leading producer State of Gujarat are placed at 98.9 lakh bales, 4.8 per cent increase on year-on-year basis. Arrivals in Maharashtra are stated to have been 77.7 lakh bales and in Andhra Pradesh 52.8 lakh bales.



UPCOUNTRY SPOT RATES

(Rs./Qtl)

Official quotations for standard descriptions with basic grade and staple in Millimetres based on Upper Half mean Length under By-law 66 (A)(a)(4)					SPOT RATES (UPCOUNTRY) 2010-11 CROP						
					June - July 2011						
					25 th	27 th	28 th	29 th	30 th	1 st	
01.	ICS-101	Below 22mm	Bengal Deshi (RG)	5.0-7.0	15	H	12317N (43800)	12317N (43800)	12317N (43800)	12317N (43800)	12317N (43800)
02.	ICS-201	Below 22mm	Bengal Deshi (SG)	5.0-7.0	15		12373N (44000)	12373N (44000)	12373N (44000)	12373N (44000)	12373N (44000)
03.	ICS-102	22mm	V-797	4.5-5.9	19	O	5624 (20000)	5624 (20000)	5624 (20000)	5624 (20000)	5483 (19500)
04.	ICS-103	23mm	Jayadhar	4.0-5	19		8295 (29500)	8295 (29500)	8295 (29500)	8295 (29500)	8295 (29500)
05.	ICS-104	24mm	Y-1	4.0-5.5	20	L	N.A.	N.A.	N.A.	N.A.	N.A.
06.	ICS-202	25mm	J-34	3.5-4.9	23		10264 (36500)	10264 (36500)	10264 (36500)	10123 (36000)	10123 (36000)
07.	ICS-105	25mm	NHH-44	3.5-4.9	22	I	7733 (27500)	7733 (27500)	7592 (27000)	7452 (26500)	7452 (26500)
08.	ICS-105	27mm	LRA-5166	3.5-4.9	24		8717 (31000)	8717 (31000)	8577 (30500)	8436 (30000)	8295 (29500)
09.	ICS-105	28mm	H-4/ MECH-1	3.5-4.9	25	D	9842 (35000)	9842 (35000)	9842 (35000)	9842 (35000)	9701 (34500)
10.	ICS-105	29mm	S-6	3.5-4.9	26		10686 (38000)	10686 (38000)	10686 (38000)	10686 (38000)	10545 (37500)
11.	ICS-105	31mm	Bunny/ Brahma	3.5-4.9	27	A	11810 (42000)	11810 (42000)	11529 (41000)	11248 (40000)	11107 (39500)
12.	ICS-106	33mm	MCU-5/ Surabhi	3.3-4.5	28		13216 (47000)	13216 (47000)	12935 (46000)	12654 (45000)	12654 (45000)
13.	ICS-107	35mm	DCH-32	2.8-3.6	31	Y	17716 (63000)	17716 (63000)	17434 (62000)	17153 (61000)	17153 (61000)

Note: Figures in bracket indicate prices in Rs./candy N - Nominal