

Weekly Publication of



**Cotton
Association
of India**

COTTON STATISTICS & NEWS

Edited & Published by Amar Singh

2023-24 • No. 15 • 11th July, 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

India: Boosting Cotton - the National Lifeline

With over three decades of experience, Shri. Sunil Patwari is the Managing Director of Nagreeka Exports Ltd. spearheading Nagreeka Exports' manufacturing activities in spinning, yarn dyeing and fibre bleaching. He leads the group's business development unit and is responsible for corporate strategy.

He is also actively involved in the industry as Chairman of the Cotton Textile Export Promotion Council (TEXPROCIL). He also serves as a director of The Bombay Textile Research Association (BTRA). He has also been director of Cotton Association of India.

He is a Chartered Accountant, and an alumnus of the PGP program at The Indian Institute of Management - Ahmedabad (IIM).

Cotton is an ancient fibre that is the lifeline of our country and the world. Spun, woven and dyed since time immemorial, cotton has clothed people worldwide for centuries. Cotton consumption and use, nowadays, extends far beyond the textile industry, to products ranging from fishing nets to medical textiles and technical textiles based on cellulosic fibres.

Boosting cotton and cotton textiles, therefore, holds the key for sustaining growth in trade and

EXPERT'S Column



Shri. Sunil Patwari
*Chairman, The Cotton Textiles
Export Promotion Council
[TEXPROCIL]*

commerce and meeting the country's aspirations to become an economic superpower in the world.

Cotton is Unique

Cotton is regarded as a lifeline due to the fact that its cultivation encourages employment in the country and provides livelihood to millions of people involved in farming. Also being biodegradable - cotton cultivation provides for the fundamental needs of clothing (fibre) and food (edible oil and oilcakes as animal fodder).

The cottonseed remaining after the cotton is ginned, is used to produce oil, which, after being refined, becomes edible oil and animal fodder. "Leaves of plants are left in the field which make enriches the soil and improves fertility of soil". Its stem is used to produce energy as a fuel. Thus, cotton is useful from each and every angle to the economy.

India needs to bring back its dominance in the global cotton industry. The country looks at textiles as a key sector that will help to build an Aatmanirbhar Bharat. Towards this end, the Government is working on the '5F' vision of Hon'ble Prime Minister Shri. Narendra Modiji -- 'Farm to Fibre; Fibre to Factory; Factory to Fashion; Fashion to Foreign'.

Immense Potential for Trade Growth

Cotton works like a bridge between agriculture and textile sector. Cotton-based products have a significant share of total textiles and apparel products both at the domestic and export levels. With market access opening through FTAs, it is imperative for the country to get its act together to enhance both productivity and quality of cotton in India.

Under the able leadership of Shri. Piyush Goyal, Hon'ble Union Minister of Textiles, Commerce & Industry, Consumer Affairs, Food and Public Distribution, the country has successfully concluded FTAs with Australia and UAE, which provide duty free access to textiles.

These pacts have given a new impetus to the cotton trade and similar agreements are being negotiated with the EU, UK and Canada which will increase the scope further.

Given the immense potential that exists in the country, India is the number one cotton producing country with almost 24 per cent of world cotton, covering the world's largest cultivation area of around 38 per cent. The country ranks second as a consumer and second top exporter in the world. Despite all these achievements to its credit, the



country is still confronted with the challenge of overcoming low yields in large growing areas.

Indeed, it has become important to diagnose the cotton situation, gather some clues for responsive policies to mitigate the adversaries and embrace strategies to effectively avoid losses across the Indian cotton value chain.

Overcoming Constraints

Cotton industry creates millions of employments opportunities for people. Transportation of cotton from farms up to processing of clothing generates revenue, employments and business opportunities for people. Also, many engineering and chemical industries are required for spinning, weaving, processing and cut and sew operations to produce finished goods of cotton. Lot of skilled and technically qualified professionals are required in the cotton industry, enabling the sector to give employment activities and opportunities to educational institutions also.

Exports of cotton and cotton textiles also bring in a lot of revenue in the form of foreign exchange earnings. The growth of cotton production and productivity, thus, is vital to bring about all round development in the country. Both short-term and long-term strategies are therefore needed to be worked out for boosting productivity.

Strategies like modern pest resistant seeds, high-density farming, micro-irrigation, integrated pest management, mechanising of the cotton value chain, etc. hold the key to boost cotton productivity in large parts of the nation.

It is also vital to increase the yield and total income for cotton farmers by creating awareness about the right seeds and encouraging farmers to adopt modern technology and progressive agricultural practices.

Enhancing Value Addition

Cotton as sustainable fibre ends up being spun, woven and finally transformed into value-added products. Each strain of cotton has its own unique properties and history. Choosing a specific variety, allows a new USP being added to the end-use products and improves the associated value.

Cotton varieties, popular across the globe including Pima, Supima, Giza, Egyptian, etc.



are increasingly in demand for their specific properties. Suvin and Kasturi varieties from India are also competing to make their mark and match global standards in terms of better feel and finish.

The Government has recently allowed duty-free imports of cotton for a limited period to ensure that the value addition in textiles remains unabated and share of value-added exports can be increased further.

Integrated Approach

In India, it is time to adopt an integrated approach that supports the effort to reach world standards in cotton productivity. All stakeholders must share best practices to boost cotton productivity in India to boost farmer incomes and increase availability of cotton leading to higher export of cotton textiles and apparels.

On their part, the stakeholders need to come together and work in unison as a combined force with the Government to devise a mechanism which is sustainable and will augur well with potential increments in cotton.

The private sector has to act in a mission mode to strengthen the cotton value chain. With the Government's assurance of leading the cotton developments by providing matching support, the private sector must join hands and invest in the means to boost research in productivity, farmers education as well as branding of Indian cotton.

Working in Unison - CAI

Cotton Association of India - one of the apex bodies working towards development of cotton in India - has brought together all segments of the cotton trade and textile industry of the country including mill buyers, growers & growers co-operatives, ginner, brokers, merchants, importers and exporters, etc. The developments in Indian cotton have been represented on various International Cotton Fora i.e. ICAC, ICA, CICC, IFCP, ITMF and several other International Cotton Associations.

In the year 2022, completing 100 years of glorious services, CAI deserves all praise for their valuable contribution in leading the task of Indian cotton development to scale new pinnacles of success.

On all counts, the time is right for the country to recognise the contribution made by CAI and its various stakeholders to the cotton-textile value chain.

With immense opportunities in the horizon, the country must come forward in focusing on sustainable production of cotton - the national lifeline - that holds the key for the country's economic development.

Source : CAI Centenary Special 2022

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

Sr. No.	Parameters	Grade				Staple				Micronaire	
		Premium		Discounts		Premium		Discounts		Micronaire	Discount
		Grade	Premium Amount	Grade	Discount Amount	Staple	Premium Amount	Staple	Discount Amount		
16	M/M(P)	Superfine	+1000	Fully Good	-900					3.0 - 3.2	-1200
	ICS-105										
	(Staple length 29mm)										
	Micronaire 3.7 - 4.5	Extra S. Fine	N.A.	Good	-1200				3.3 - 3.4	-800 '(1.24)	
	(Grade:Fine)										
Trash-3.5%Strength/GPT28				(1.87)					3.5 - 3.6	-400 '(0.62)	
17	SA/TL/K	Superfine	+1000	Fully Good	-900					3.0 - 3.2	-1200
	ICS-105										
	(Staple length 29mm)										
	Micronaire 3.7 - 4.5	Extra S. Fine	+1200 (1.87)	Good	-1200 (1.87)				3.3 - 3.4	-800 '(1.24)	
	(Grade:Fine)										
Trash - 3% Strength/GPT 28									3.5 - 3.6	-400 '(0.62)	
18	GUJ	Superfine	+1000	Fully Good	-900	30	+700			3.0 - 3.2	-1200
	ICS-105										
	(Staple length 29mm)										
	Micronaire 3.7 - 4.5	Extra S. Fine	+1200 '(1.87)	Good	-1200 '(1.87)				3.3 - 3.4	-800 '(1.24)	
	(Grade:Fine)										
Trash - 3% Strength/GPT 28									3.5 - 3.6	-400 '(0.62)	
19	M/M(P)	Superfine	+1000	Fully Good	-900					3.0 - 3.2	-1200
	ICS-105										
	(Staple length 30mm)										
	Micronaire 3.7 - 4.5	Extra S. Fine	+1200	Good	-1200				3.3 - 3.4	-800 '(1.24)	
	(Grade:Fine)										
Trash-3.5%Strength/GPT29		(1.87)		(1.87)					3.5 - 3.6	-400 (0.62)	
20	SA/TL/K/O	Superfine	+1000	Fully Good	-900					3.0 - 3.2	-1200
	ICS-105										
	(Staple length 30mm)										
	Micronaire 3.7 - 4.5	Extra S. Fine	+1200	Good	-1200				3.3 - 3.4	-800 '(1.24)	
	(Grade:Fine)										
Trash - 3% Strength/GPT 29		(1.87)		(1.87)					3.5 - 3.6	-400 '(0.62)	
21	M/M(P)	Superfine	+1000	Fully Good	-900					3.0 - 3.2	-1200
	ICS-105										
	(Staple length 31mm)										
	Micronaire 3.7 - 4.5	Extra S. Fine	+1200	Good	-1200				3.3 - 3.4	-800 '(1.24)	
	(Grade : Fine) Trash - 3% Strength/GPT 30										
		(1.87)		(1.87)					3.5 - 3.6	-400 (0.62)	
22	SA/TL/K/TN/O	Superfine	+1000	Fully Good	-900					3.0 - 3.2	-1200
	ICS-105										
	(Staple length 31mm)										
	Micronaire 3.7 - 4.5	Extra S. Fine	+1200	Good	-1200				3.3 - 3.4	-800 '(1.24)	
	(Grade : Fine) Trash - 3% Strength/GPT 30										
		(1.87)		(1.87)					3.5 - 3.6	-400 (0.62)	

Sr. No.	Parameters	Grade				Staple				Micronaire	
		Premium		Discounts		Premium		Discounts		Micronaire	Discount
		Grade	Premium Amount	Grade	Discount Amount	Staple	Premium Amount	Staple	Discount Amount		
23	SA/TL/K/TN/O	Superfine	N.A,	Fully Good	N.A,			31	N.A,	3.0 - 3.2	N.A,
	ICS-106										
	(Staple length 32mm)										
	Micronaire 3.5 - 4.2	Extra S. Fine	N.A,	Good	N.A,					3.3 - 3.4	N.A,
	(Grade : Fine) Trash - 3% Strength/GPT 31										
24	M/M(P)	Superfine	+1200	Fully Good	-1500	35	+1500	33	-2000	2.5 - 2.7	-700
	ICS-107										
	(Staple length 34mm)		(1.87)		(2.33)		(2.33)		(3.11)		(1.09)
	Micronaire 2.8 - 3.7	Extra S. Fine	N.A.	Good	-2000	36	+2500				
	(Grade : Fine) Trash - 4% Strength/GPT 33				(3.11)	(3.89)					
25	K/TN	Superfine	+1200	Fully Good	-1500	35	+1800	33	-2000	2.5 - 2.7	-700
	ICS-107										
	(Staple length 34mm)		(1.87)		(2.33)		(2.80)		(3.11)		(1.09)
	Micronaire 2.8 - 3.7	Extra S. Fine	N.A.	Good	-2000	36	+3000				
	(Grade : Fine) Trash - 3.5% Strength/GPT 34				(3.11)	(4.67)					
26	M/M(P)	Superfine	+1200	Fully Good	-1500	36	+1000	34	-1500	2.5 - 2.7	-700
	ICS-107										
	(Staple length 35mm)		(1.87)		(2.33)		(1.56)		(2.33)		(1.09)
	Micronaire 2.8 - 3.7	Extra S. Fine	N.A.	Good	-2000						
	(Grade : Fine) Trash - 4% Strength/GPT 35				(3.11)						
27	K/TN	Superfine	+1200	Fully Good	-1500	36	+1200	34	-1800	2.5 - 2.7	-700
	ICS-107										
	(Staple length 35mm)		(1.87)		(2.33)		(1.87)		(2.80)		(1.09)
	Micronaire 2.8 - 3.7	Extra S. Fine	N.A.	Good	-2000						
	(Grade : Fine) Trash - 3.5% Strength/GPT 35				(3.11)						

Conversion factor – 642.64 based on the RBI closing exchange rate of 1 US \$ = Rs.81.97 prevailing on 23rd June 2023

Figures in bracket denotes value difference in Cents per Lb.

Note :

- (1) These Value Differences are applicable to domestic trade.
- (2) The above differences are merely indicative in nature. Cotton Association of India gives no warranty as to the accuracy or completeness of information contained herein and accepts no legal responsibility howsoever arising in relation to such information.
- (3) Premium and Discount mentioned in Indian Rupees above will remain constant for one month whereas the same mentioned in Cents per Lb. will vary as per the exchange rate fixed by the Reserve Bank of India.

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 July 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	17884 (63600)	17884 (63600)	17884 (63600)	17969 (63900)	17884 (63600)	17744 (63100)
2	P/H/R (SG)	ICS-201	Fine	Below 22mm	5.0 – 7.0	4.5%	15	18025 (64100)	18025 (64100)	18025 (64100)	18109 (64400)	18025 (64100)	17884 (63600)
3	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	13%	20	12907 (45900)	12991 (46200)	13020 (46300)	12991 (46200)	12935 (46000)	12935 (46000)
4	KAR	ICS-103	Fine	22mm	4.5 – 6.0	6%	21	13779 (49000)	13919 (49500)	13919 (49500)	13919 (49500)	13835 (49200)	13835 (49200)
5	M/M (P)	ICS-104	Fine	23mm	4.5 – 7.0	4%	22	14904 (53000)	15044 (53500)	15044 (53500)	15044 (53500)	14960 (53200)	14960 (53200)
6	P/H/R(U) (SG)	ICS-202	Fine	27mm	3.5 – 4.9	4.5%	26	14988 (53300)	15100 (53700)	15241 (54200)	15129 (53800)	15072 (53600)	15072 (53600)
7	M/M(P)/SA/TL	ICS-105	Fine	26mm	3.0 – 3.4	4%	25	-	-	-	-	-	-
8	P/H/R(U)	ICS-105	Fine	27mm	3.5 – 4.9	4%	26	15157 (53900)	15269 (54300)	15410 (54800)	15297 (54400)	15241 (54200)	15241 (54200)
9	M/M(P)/SA/TL/G	ICS-105	Fine	27mm	3.0 – 3.4	4%	25	13919 (49500)	14088 (50100)	14088 (50100)	14172 (50400)	14172 (50400)	14257 (50700)
10	M/M(P)/SA/TL	ICS-105	Fine	27mm	3.5 – 4.9	3.5%	26	14735 (52400)	14875 (52900)	14791 (52600)	14763 (52500)	14650 (52100)	14650 (52100)
11	P/H/R(U)	ICS-105	Fine	28mm	3.5 – 4.9	4%	27	16000 (56900)	16113 (57300)	16253 (57800)	16141 (57400)	16085 (57200)	16085 (57200)
12	M/M(P)	ICS-105	Fine	28mm	3.7 – 4.5	3.5%	27	15494 (55100)	15635 (55600)	15550 (55300)	15382 (54700)	15241 (54200)	15241 (54200)
13	SA/TL/K	ICS-105	Fine	28mm	3.7 – 4.5	3.5%	27	15550 (55300)	15691 (55800)	15607 (55500)	15438 (54900)	15297 (54400)	15297 (54400)
14	GUJ	ICS-105	Fine	28mm	3.7 – 4.5	3%	27	15550 (55300)	15607 (55500)	15578 (55400)	15494 (55100)	15382 (54700)	15382 (54700)
15	R(L)	ICS-105	Fine	29mm	3.7 – 4.5	3.5%	28	15803 (56200)	15888 (56500)	15888 (56500)	15803 (56200)	15747 (56000)	15747 (56000)
16	M/M(P)	ICS-105	Fine	29mm	3.7 – 4.5	3.5%	28	15775 (56100)	15916 (56600)	15860 (56400)	15775 (56100)	15663 (55700)	15663 (55700)
17	SA/TL/K	ICS-105	Fine	29mm	3.7 – 4.5	3%	28	15803 (56200)	15944 (56700)	15888 (56500)	15803 (56200)	15691 (55800)	15691 (55800)
18	GUJ	ICS-105	Fine	29mm	3.7 – 4.5	3%	28	15832 (56300)	15888 (56500)	15860 (56400)	15775 (56100)	15663 (55700)	15663 (55700)
19	M/M(P)	ICS-105	Fine	30mm	3.7 – 4.5	3.5%	29	16028 (57000)	16085 (57200)	16028 (57000)	16000 (56900)	15888 (56500)	15888 (56500)
20	SA/TL/K/O	ICS-105	Fine	30mm	3.7 – 4.5	3%	29	16056 (57100)	16113 (57300)	16056 (57100)	16028 (57000)	15916 (56600)	15916 (56600)
21	M/M(P)	ICS-105	Fine	31mm	3.7 – 4.5	3%	30	16197 (57600)	16253 (57800)	16197 (57600)	16169 (57500)	16056 (57100)	16056 (57100)
22	SA/TL/K / TN/O	ICS-105	Fine	31mm	3.7 – 4.5	3%	30	16253 (57800)	16310 (58000)	16253 (57800)	16225 (57700)	16113 (57300)	16113 (57300)
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.)	N.A. (N.A.)
24	M/M(P)	ICS-107	Fine	34mm	2.8 - 3.7	4%	33	20106 (71500)	20106 (71500)	20106 (71500)	20106 (71500)	20021 (71200)	20021 (71200)
25	K/TN	ICS-107	Fine	34mm	2.8 - 3.7	3.5%	34	20246 (72000)	20246 (72000)	20246 (72000)	20246 (72000)	20162 (71700)	20162 (71700)
26	M/M(P)	ICS-107	Fine	35mm	2.8 - 3.7	4%	35	20528 (73000)	20528 (73000)	20528 (73000)	20528 (73000)	20443 (72700)	20443 (72700)
27	K/TN	ICS-107	Fine	35mm	2.8 - 3.7	3.5%	35	20752 (73800)	20809 (74000)	20809 (74000)	20809 (74000)	20724 (73700)	20724 (73700)

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