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Cotton Statistics And News

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Hike in Support Price for Cotton During 2012-13

The Government of India has fixed the minimum support price (MSP) of two basic varieties of cotton, viz., Medium Staple Length Cotton having staple length of 24.5 to 25.5 mm with micronaire value of 4.3 to 5.1 and Long Staple Length Cotton having staple length of 29.5 to 30.5 mm with micronaire value of 3.5 to 4.3 of new crop of cotton kapas of Fair Average Quality (FAQ) for cotton season 2012-13. The MSP for Medium Staple Length Cotton was fixed at Rs.3,600 per quintal and that for Long Staple Length Cotton at Rs.3,900 per quintal. These prices are higher by Rs.800 per quintal in the case of Medium Staple Cotton and Rs.600 per quintal in the case of Long Staple Cotton compared to the MSP fixed for 2011-12.

Based on the MSP for these two basic classes of seed cotton (kapas) and taking into account the quality differential, normal price differential and other relevant factors, the MSP for other classes of seed cotton (kapas) of Fair Average Quality (FAQ) for the cotton season 2012-13 (October-September) has been fixed by the office of the Textile Commissioner. These prices fixed for 2012-13, along with the corresponding prices for 2011-12 are given in the accompanying table.

Further clarifications given are as under:

- (i) If the micronaire value is in the range of 3.8 to 4.2 for staple length (mm) of 24.5-25.5 mentioned at Sr. No. 6, a premium of Rs. 30 per quintal will be given over and above the MSP. If the micronaire value happens to be less than 3.8 or more than 5.1, the MSP will be lower by Rs. 15 per quintal for every 0.2 micronaire.
- (ii) If the micronaire values are outside the range in the column (iv) for staple length at Sr. No. 9 to 15, a lower MSP of Rs. 25 per quintal will be given for every 0.2 micronaire value.
- (iii) The minimum acceptable micronaire value shall be 2.8 for Extralong Staple Cotton mentioned at Sr. No. 13 to 15. Minimum acceptable micronaire value shall be 3.0 for other varieties of cotton at Sr. No. 1 to 12 of the above table.
- (iv) The names of varieties mentioned in column (vi) of the accompanying table are only indicative related to the respective length group.
- (v) The base line moisture content of kapas shall be 8 percent. The farmer selling cotton having moisture above 8 percent but upto 12 percent will get less price proportionately, while it will be a proportionale incentive, if the moisture content of the produce is less than 8 percent. For the purpose of undertaking price support operation by the designated Procurement Agencies, moisture content of more than 12 percent is not permitted. The incentive/disincentive will be made on the basis of rate per quintal of kapas on pro-rata basis.
- (vi) The procurement agencies should ensure that micronaire and other fibre quality parameters are scientifically assessed by providing the required infrastructure/facilities at the purchase centres.

Sr.No.	CLASSES OF COTTON	Fibre Quality Basic Staple Length Value	Parameters Micronaire	Minimum Support Price (MSP) for 2011-12	Names of the indicative varieties used by the Trade
(I)	(II)	(III)	(IV)	(V)	(VI)
Short Staple (20 mm & below)					
1		-	7.0-8.0	3100 (2300)	Assam Comilla
2		-	6.8-7.2	3100 (2300)	Bengal Deshi
Medium Staple (20.5 mm – 24.5 mm)					
3		21.5 -23.5	4.2-6.0	3400 (2600)	V-797/ G.Cot.13/G.Cot.
4		21.5 -22.5	4.8-5.8	3350 (2550)	Jayadhar
5		23.5 -24.5	3.4-5.5 (2650)	3450	AK/Y-1(Mah&M.P.) / MCU-7(TN)/SVPR-2(TN)/ PCO-2(AP& Kar)/K-11(TN)
Medium Long Staple (25.0 mm – 27.0 mm)					
6		24.5-25.5	4.3-5.1	3600 (2800)	J-34(Raj)
7		26.0-26.5	3.4-4.9	3700 (2900)	LRA-5166/KC-2(TN)
8		26.5-27.0	3.8-4.8	3750 (3050)	F-414/H-777/J-34 Hybrid
Long Staple (27.5 mm – 32.0 mm)					
9		27.5-28.5	4.0-4.8	3800 (3100)	F-414/H-777/J-34 Hybrid
10		27.5-28.5	3.5-4.7	3800 (3150)	H-4/H-6/MECH/RCH-2
11		27.5-29.0	3.6-4.8	3850 (3150)	Shankar-6/10
12		29.5-30.5	3.5-4.3	3900 (3300)	Bunny/Brahma
Extra Long Staple (32.5 mm & above)					
13		32.5 - 33.5	3.2-4.3	4100 (3500)	MCU-5/Surabhi
14		34.0 - 36.0	3.0-3.5	4300 (3700)	DCH-32
15		37.0 - 39.0	3.2-3.6	5100 (4500)	Suvin

Note: Figures in brackets of 2011-12 prices

Ace Commodity Exchange Launches Cotton Futures Trading

Ace Derivatives and Commodity Exchange Limited (ACE), a Kotak Mahindra Group anchored commodity exchange in India, announced that it will commence futures trading in Cotton (Bales) from September 24, 2012.

ACE is currently launching 3 contracts - expiring in the months of November 2012, December 2012 and January 2013. The price quotation is in Rs. /Candy, the trading unit for the contract is 1 Candy, and the delivery unit is of 48 Candy (or 100 bales). The tick size is Rs. 25 per candy. Contract basis centre is Rajkot with additional delivery centers at Kadi, Amreli, Surendranagar and Anjar in Gujarat. Currently all additional delivery centers are at par with no location premium/discount.

A media release published by the ACE Commodity Exchange quoted the CEO of Exchange to have stated, "We are pleased to launch an industry relevant cotton

bales contract which will provide an effective price discovery and risk management platform to all the stakeholders in the cotton economy. The players including farmers, ginners, exporters, traders and millers will be able to efficiently hedge the price risk they carry in their day to day trade through their participation in this contract. The contract will help the participants to manage the extreme volatility seen in the prices of the commodity in the recent past very effectively through the hedging mechanism".

The contract provides for delivery of "Traded as Shankar 6 or equivalent to Shankar 6" Cotton. ACE has put in place a strong and robust testing process to ensure that quality of cotton accepted by the exchange warehouses meets the quality parameters set out in the contract. ACE currently offers trading in 7 agri commodities viz. Castor, Chana, Mustard Seed, Refined Soy Oil, Soybean, Soybean Meal and Sugar.

CICR Launches Initiative to Create Modern Cotton Culture Among Farmers

Central Institute for Cotton Research (CICR) has launched a series of initiatives under its "New Initiatives in Cotton Research" programme to provide a bunch of alternatives to cotton farmers across India. The institute has started working on a variety of new projects aiming at both generating newer techniques in cotton cultivation using the existing varieties, both hybrid and straight, mechanization of cultivation processes as well as developing new models for price prediction of cotton.

Shri. C.D Mayee, former Chairman of the Agriculture Recruitment Board (ASRB) who officially launched the initiative is reported to have stated that the initiative launched by CICR aims at generating a cafeteria of technologies to provide more choice to farmers which they do not have today.

Speaking on the occasion, Dr. Keshav Kranthi, Director of CICR observed that as of today cotton farmers are a confused lot. The reasons are many. One being that there are almost 1128 Bt cotton varieties approved by the Genetic Engineering Approval Committee (GEAC) available in market. A farmer doesn't know which one is good. In fact even seed companies like Nuziveedu are also confused and have started HDPS experiments.

Dr. Kranti is reported to have suggested that though the benefits of Bt technology are grossly underplayed, even in front of the parliamentary committee which visited Vidarbha, reality remains that scientific institutes like CICR should have enough alternatives to Bt cotton. He added that CICR has introduced the HDPS technique adopted from Brazil in non Bt varieties like Suraj, a CICR variety, NH-615 and PKV 081 and also desi cotton variety HD-123. Trials of

these varieties are already on in 200 acres of land (172 acres in farmers' fields and 30 acres in CICR fields) this season. This system basically involves cultivation of more plants per acre and reducing their foliage with growth regulators which ensures early maturity. It also reduces the cultivation cost manifold.

Dr. Kranthi is reported to have further said that though it was difficult to introduce the concept initially, the results in farmers' fields were encouraging. Since each plant will give at least 5-7 bowls per plant, the overall production will be higher. He is sure that once Indian breeders take up this method, it will change the face of cotton cultivation in the country.

CICR is also working on 'marker assisted breeding' techniques. It will be few years before they generate technologies to fight problem of leaf curl virus, nematodes menace, and bacterial blight but work has begun. Institute has already validated these markers (technique which can trace a trait in the variety or crop selectively) for different pests and drought resistance.

It is reported that scientists from CICR have developed models based on remote sensing based on actual area under crop and studying global variability in production to arrive at the cotton crop data.

The other initiative taken by CICR is based on farm mechanization. One technique uses a machine picker. A series of models to sow and pick cotton are also being tried.

CICR is introducing the concept of sharing technologies with farmers through e-extension for the entire country. To begin with, it is planning to reach at least 1 lakh farmers in Vidarbha on their mobiles through voicemail service to take all kinds of information including weather bulletins, advisories in local language and of course the package of practices of cultivation including pest management.

It is reported that the institute would also be working on 25 different cotton related films which will be linked to YouTube. It will be difficult initially as farmers are not tech-savvy but gradually it will work. Efforts are also on to flash information through sms. All this is being done with the support of Ministry of Agriculture.

(Source: The Times of India - 18.09.2012)



Shri Mahesh Sharda Appointed New President of NICA

Shri Mahesh Sharda has taken over as the new President of The Northern Indian Cotton Association (NICA).

CAI team wishes a great success to the newly elected President and other office bearers and Board of Directors of NICA.

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
September 2012

Sr. No.	Growth	Grade Standard	Grade	Staple	Micronaire	Strength /GPT	17th	18th	19th	20th	21st	22nd
1	P/H/R	ICS-101	Fine	Below 22mm	5.0 – 7.0	15	11023 (39200)	11023 (39200)		11107 (39500)	11023 (39200)	10939 (38900)
2	P/H/R	ICS-201	Fine	Below 22mm	5.0 – 7.0	15	11192 (39800)	11192 (39800)	H	11276 (40100)	11192 (39800)	11107 (39500)
3	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	20	7902 (28100)	7874 (28000)		7874 (28000)	7733 (27500)	7592 (27000)
4	KAR	ICS-103	Fine	23mm	4.0 – 5.5	21	8858 (31500)	8858 (31500)	O	8858 (31500)	8717 (31000)	8577 (30500)
5	M/M	ICS-104	Fine	24mm	4.0 – 5.5	23	N.Q.	N.Q.		N.Q.	N.Q.	N.Q.
6	P/H/R	ICS-202	Fine	26mm	3.5 – 4.9	26	9308 (33100)	9280 (33000)		9251 (32900)	9195 (32700)	9139 (32500)
7	M/M/A	ICS-105	Fine	26mm	3.0 – 3.4	25	9448 (33600)	9448 (33600)	L	9308 (33100)	9251 (32900)	9139 (32500)
8	M/M/A	ICS-105	Fine	26mm	3.5 – 4.9	25	N.Q.	N.Q.		N.Q.	N.Q.	N.Q.
9	P/H/R	ICS-105	Fine	27mm	3.5 – 4.9	26	9814 (34900)	9786 (34800)	I	9758 (34700)	9701 (34500)	9645 (34300)
10	M/M/A	ICS-105	Fine	27mm	3.0 – 3.4	26	9589 (34100)	9561 (34000)		9420 (33500)	9364 (33300)	9251 (32900)
11	M/M/A	ICS-105	Fine	27mm	3.5 – 4.9	26	N.Q.	N.Q.		N.Q.	N.Q.	N.Q.
12	P/H/R	ICS-105	Fine	28mm	3.5 – 4.9	27	9842 (35000)	9814 (34900)	D	9786 (34800)	9729 (34600)	9673 (34400)
13	M/M/A	ICS-105	Fine	28mm	3.5 – 4.9	27	9898 (35200)	9814 (34900)		9673 (34400)	9617 (34200)	9561 (34000)
14	GUJ	ICS-105	Fine	28mm	3.5 – 4.9	27	9842 (35000)	9786 (34800)	A	9729 (34600)	9673 (34400)	9533 (33900)
15	M/M/A/K	ICS-105	Fine	29mm	3.5 – 4.9	28	10039 (35700)	9898 (35200)		9870 (35100)	9814 (34900)	9673 (34400)
16	GUJ	ICS-105	Fine	29mm	3.5 – 4.9	28	9983 (35500)	9926 (35300)	Y	9870 (35100)	9786 (34800)	9645 (34300)
17	M/M/A/K	ICS-105	Fine	30mm	3.5 – 4.9	29	10404 (37000)	10404 (37000)		10264 (36500)	10208 (36300)	10067 (35800)
18	M/M/A/K/T/O	ICS-105	Fine	31mm	3.5 – 4.9	30	10826 (38500)	10826 (38500)		10686 (38000)	10601 (37700)	10601 (37700)
19	K/A/T/O	ICS-106	Fine	32mm	3.5 – 4.9	31	11276 (40100)	11248 (40000)		11107 (39500)	11023 (39200)	11023 (39200)
20	M(P)/K/T	ICS-107	Fine	34mm	3.0 - 3.8	33	14763 (52500)	14763 (52500)		14763 (52500)	14679 (52200)	14538 (51700)

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