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Cotton Statistics And News

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Cotton Farm Leader Derides Maharashtra Textile Policy

The benefits of the Maharashtra Textile Policy will not benefit the cotton farming community in the state, said a leader of a Maharashtra farmers organisation.

It may be recalled that the Maharashtra government had recently announced a Textile Policy to ensure that cotton grown in the state is processed in the state itself, in order to abet the rising stem of cotton farmer's suicides.

It is reported that Shri Kishore Tiwari of Vidarbha Jan Andolan Samiti (VJAS) has welcomed the Textile Policy but lamented that policy will help generate employment in rural areas, the benefits of the policy will not reach cotton farmers, for whom the policy was actually formulated.

He added that value-addition of cotton is a good idea. However, the benefits will not touch cotton farmers as even under the current circumstances, they do not have problems in selling cotton, whether to domestic buyers or to those exporting from India.

The benefits of value-addition achieved by converting cotton to yarn, fabrics and finally apparel will not percolate to the cotton farmers. It will stay with the industrialists who have set up the textile units.

In order that cotton farmers gain from the Textile Policy, ownership for the cotton farmers has to be created in the units coming up under the Textile Policy. Otherwise, only those who set up units will

get benefit of incentives announced in the policy, Shri Tiwari stated.

Ownership can be created by setting up cooperatives mills. However, nearly all the cooperatives textile mills set up in Maharashtra have folded up due to mismanagement, he concluded.

The Maharashtra Textile Minister had recently organised a road show in the neighbouring State of Gujarat to showcase its Textile Policy and attract investments into the State from entrepreneurs of Gujarat.

Speaking about the government policy on cotton exports, Shri Tiwari, explained that the government should not do a flip-flop on cotton exports policy. He urged the government to keep cotton under open general license and not buckle under pressure from textile mills.

(Source: Fibre2Fashion - 28.09.2012)

Cotton Advisory Board To Meet on 4th October 2012

The first meeting of the Cotton Advisory Board for the cotton season 2012-13 will be held on Thursday, the 4th October 2012 at 2.00 p.m. in the Conference Hall of the Office of the Textile Commissioner, Nishtha Bhavan (New C.G.O. Building), 48, Vithaldas Thakarsee Marg, Churchgate, Mumbai - 400 020.

CAI Wishes All Our Readers A Happy Cotton Year 2012-13

Drought Takes 3.1 Percent Bite Out of U.S. Crop - USDA

According to USDA, the stubborn drought conditions that have plagued huge sections of the cotton-growing regions of the United States will reduce the country's total production by more than 3 percent this season. As the drought has dragged on, it has pushed up futures prices, which are hovering around 75 cents/lb at press time – a gain of 11 percent since June 1.

The exceedingly dry conditions will drop U.S. fiber output from 17.65 million bales – the amount USDA estimated in August – to 17.11 million bales. The production of extra long staple cotton (ELS), primarily grown in the U.S. Southwest, is expected to take an especially large hit, dropping 23 percent from last year's total to 657,000 bales.

The estimated yield of 786 lbs/acre is up slightly from the August estimate of 784 lbs/acre, but

down about 0.5 percent from last year's yield of 790 lbs/acre. Total exports from the United States, the world's largest exporter, are expected to reach 11.8 million bales this marketing season (which began Aug.1), up from the previous year's total of 11.71 million bales. Stocks are expected to increase dramatically, rising 58 percent from 3.35 million bales this year to more than 5.3 million bales for 2012-13.

Although the U.S. production estimate was revised downward between August and September, the country's total output is still expected to generate a 10 percent increase from last season. That's contributing to the 2 million-bale, year-over-year increase in global stocks, which USDA are now projecting to reach 76.5 million bales.

(Source: Cotton International - 12.09.2012)

ICA's 'Hong Kong 2012' International Trade Event

'Hong Kong 2012' is the ICA's next major international trade event. It will be held at the magnificent Hong Kong Convention & Exhibition Centre on 1-2, November 2012.

With over 1,000 delegates from the global cotton community anticipated to attend, the event is open to anyone with an interest in the cotton trade.

"Hong Kong 2012" will provide an ideal opportunity to do business and focus on current industry issues.

Crucially, it will present a key opportunity for the ICA and its delegates to strengthen relationships with our Chinese market.

With the theme of "growing together", emphasis will be on uniting the cotton community with common goals, objectives and business practices.

As per the recent update, there will be four primary sessions on each day, followed by networking lunch and the gala dinner. Featured speakers include Olam's Mr Sunny Verghese as the event's opening speaker, Joe Nicosia (Louis Dreyfus Commodities & Allenberg Cotton Co), S P Oswal (Vardhman Textiles Limited India), Brian Perrott (Holman Fenwick Willan LLP), Andy Ryan (INTL FCStone), Brent Crossland (Bayer CropScience) and Bruna

Angel (PCI Fibres) will also take to the stage. The sessions will cover:

- Long term prospects & challenges for the agricultural complex & its impact on cotton
- A legal response to the challenging world of credit risk & defaults
- Always darkest before the dawn - cotton's new horizon
- Cotton & manmade fibres - competition & complementarity, pricing & sustainability
- Cotton risk management – win-win solutions
- Trends in cotton consumption & perspective of Indian textile industry 2020
- Bayer branded sustainable cotton initiative

For more information, to view the agenda, and to register for the event, please visit www.ica-ltd.org

Registration for Hong Kong 2012 trade event will close at midnight on Friday 12 October (Hong Kong time).

(Source: ICA)

Indian Textile Industry Hit Hard by Power Shortages

Despite the growing trend of mills blending cotton with synthetic in an attempt to keep their raw materials costs down, it's understood that the natural fiber is usually at odds with the fossil fuel. Cotton has been losing market share to synthetic fibers for years, even though overall consumption continues to rise due to the expanding global population.

But the decreasing use of oil doesn't always result in an uptake in cotton usage. In fact, the decreasing use of oil is directly contributing to falling cotton consumption at least in India, the world's second-largest cotton producer and consumer. That's because in this case, the oil isn't being used to extrude fiber, it's being used to power textile mills.

Indian government last week has received strong reaction from the weakening Indian textile industry.

The State of Tamilnadu, which accounts for 47 percent of India's total yarn production, is facing a 50 percent power reduction, and the price increase likely will aggravate that situation. It is also said that India is already at 20 percent price disadvantage in yarn production costs compared to some of its competitors, such as Bangladesh.

According to SIMA, Indian textile industry employs 91 million people and earned over US\$ 37 billion in 2011-12 and is the single largest foreign exchange earner.

A 9 cent/litre hike in diesel prices instituted by the

(Source: Cotton International - 18.09.2012)

STAPLE-WISE MILL CONSUMPTION OF COTTON

COTTON VARIETY	(Lakh bales of 170 kg. each)			
	COTTON YEAR (OCT TO SEPT)			
	2007-08	2008-09	2009-10 (P)	2010-11 (P)
NON-SSI				
Short staple (below 20 mm)	5.52 (2.82)	4.67 (2.45)	4.96 (2.26)	6.32 (2.95)
Medium staple (20.50 to 25.50 mm)	50.97 (26.05)	46.87 (24.57)	50.63 (23.10)	46.24 (19.88)
Medium long staple (26.00 to 27.50 mm)	20.93 (10.70)	16.93 (8.88)	19.07 (8.70)	20.22 (10.13)
Long staple (28.00 to 33.50 mm)	106.95 (54.66)	108.29 (56.77)	131.15 (59.85)	137.75 (62.45)
Extra long staple (34.00 mm & above)	5.87 (3.00)	5.10 (2.67)	7.02 (3.20)	6.88 (3.12)
Total Indian cotton	190.24 (97.22)	181.86 (95.34)	212.83 (97.11)	217.41 (98.53)
Foreign cotton	5.44 (2.78)	8.89 (4.66)	6.33 (2.89)	3.29 (1.47)
Grand Total (Indian + Foreign cotton)	195.68 (100.00)	190.75 (100.00)	219.16 (100.00)	220.70 (100.00)
SSI MILLS	22.07	20.22	22.72	24.69

Note :- Figures in bracket indicate percentage to the total.

P : Provisional.

Source: Office of the Textile Commissioner, Mumbai

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 Standard	Grade /GPT	Grade	Staple	Micronaire	Strength	24th	25th	26th	27th	28th	29th
1	P/H/R	ICS-101	Fine	Below 22mm	5.0 – 7.0	15	10573 (37600)	10236 (36400)	10292 (36600)	10292 (36600)	10292 (36600)	
2	P/H/R	ICS-201	Fine	Below 22mm	5.0 – 7.0	15	10854 (38600)	10489 (37300)	10489 (37300)	10432 (37100)	10432 (37100)	H
3	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	20	7396 (26300)	7171 (25500)	7171 (25500)	7142 (25400)	7142 (25400)	
4	KAR	ICS-103	Fine	23mm	4.0 – 5.5	21	8577 (30500)	8577 (30500)	8577 (30500)	8548 (30400)	8548 (30400)	O
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	8998 (32000)	8942 (31800)	8998 (32000)	8998 (32000)	8998 (32000)	L
7	M/M/A	ICS-105	Fine	26mm	3.0 – 3.4	25	8998 (32000)	8998 (32000)	8998 (32000)	8998 (32000)	8998 (32000)	
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	9476 (33700)	9392 (33400)	9448 (33600)	9448 (33600)	9448 (33600)	I
10	M/M/A	ICS-105	Fine	27mm	3.0 – 3.4	26	9139 (32500)	9139 (32500)	9139 (32500)	9139 (32500)	9139 (32500)	
11	M/M/A	ICS-105	Fine	27mm	3.5 – 4.9	26	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	D
12	P/H/R	ICS-105	Fine	28mm	3.5 – 4.9	27	9505 (33800)	9448 (33600)	9505 (33800)	9505 (33800)	9505 (33800)	
13	M/M/A	ICS-105	Fine	28mm	3.5 – 4.9	27	9420 (33500)	9420 (33500)	9505 (33800)	9476 (33700)	9476 (33700)	A
14	GUJ	ICS-105	Fine	28mm	3.5 – 4.9	27	9420 (33500)	9505 (33800)	9533 (33900)	9505 (33800)	9505 (33800)	
15	M/M/A/K	ICS-105	Fine	29mm	3.5 – 4.9	28	9505 (33800)	9561 (34000)	9645 (34300)	9617 (34200)	9645 (34300)	Y
16	GUJ	ICS-105	Fine	29mm	3.5 – 4.9	28	9561 (34000)	9645 (34300)	9673 (34400)	9589 (34100)	9617 (34200)	
17	M/M/A/K	ICS-105	Fine	30mm	3.5 – 4.9	29	9842 (35000)	9701 (34500)	9701 (34500)	9673 (34400)	9673 (34400)	
18	M/M/A/K/T/O	ICS-105	Fine	31mm	3.5 – 4.9	30	10320 (36700)	10123 (36000)	10123 (36000)	10039 (35700)	10039 (35700)	
19	K/A/T/O	ICS-106	Fine	32mm	3.5 – 4.9	31	10686 (38000)	10404 (37000)	10404 (37000)	10264 (36500)	10264 (36500)	
20	M(P)/K/T	ICS-107	Fine	34mm	3.0 - 3.8	33	14116 (50200)	13835 (49200)	13779 (49000)	13638 (48500)	13638 (48500)	

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