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Cotton Statistics And News

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Edited & Published by Amar Singh

Bt, Indeed, the Better Cotton ?

The July-August issue of Farmers' Forum carries an article captioned as above. The article deals with the findings from a study commissioned by the Bharat Krishak Samaj to assess the socio-economic impact of Bt cotton cultivation in various regions of India. Some of the key findings from the study are mentioned below.

Objectives of Study

- To undertake a spatial and temporal analysis of world cotton production and trade.
- To analyse trends in area, production, yields and farm input use of cotton in India.
- To undertake a cost of cultivation and net return analysis of Bt cotton in different states.
- To analyse the agronomic factors accounting for Bt cotton yields.
- To analyse the effect of incomes from Bt cotton on the health and sanitation, education, infrastructural and other livelihood status of farmers across various farms.
- To analyse the impact of Bt cotton on labour employment and income of landless labourers.

Methodology

A primary survey is stated to have been conducted in selected districts of major cotton growing States for the agricultural year 2010-11. The study is said to be based on a total sample size of 1050 farmers and 300 agricultural labourers across the country and is a cross-sectional analysis of farming population for a single year. The information received has also been compared with secondary data received from Government sources.

Considerable information is also said to have been gathered on the basis of farmers' opinions on various issues. Secondary data is stated to have included the Ministry of Agriculture, Economic Survey of the Government of India etc.

While the commercial cultivation of Bt cotton commenced in 2002-03 in the Central and Southern zones, in the Northern zone it started in 2005-06. Thus, the present study considered post-Bt cotton period for the Central and Southern zones. Currently, more than 90 percent of cotton is under Bt cotton. The key findings of the study are claimed to have been as under:

Pesticide Use

Pesticide consumption in the country declined by 23 per cent in the post-Bt cotton period (2002 to 2009) compared to the pre-Bt cotton period (1996 to 2001). However, as per information given by the farmers, following the introduction of Bt cotton, although Bollworm damage had declined, there was an increased damage of sucking pests that are not expected to be controlled by Bt Cotton technology. The last two years have witnessed a drop in the rate of pesticide consumption. Hence, the decline in yields in recent years can to some extent be attributed to increased attacks by sucking pests.

Exports

India's share in the value of cotton exports increased from 0.75 per cent in the three-year period ending 2000 to 10.53 per cent in the triennium ending 2009. Further, quantitative growth of cotton exports in the pre-Bt cotton period (1990 to 2001) was 24.6 percent. In value terms, it was 21.3 percent. Exports increased significantly to more than 75 per cent in the post-

Bt cotton period (2002 to 2009). Thus, the advent of Bt cotton has changed India from a net importer into a net exporter of cotton.

Area, Production & Yield of Cotton

Ever since the cultivation of Bt cotton began in India in 2002-03, the growth rate of area under cotton and its production and yield between 2002 and 2011 increased by 4.91 percent, 9.25 percent and 4.95 per cent respectively. This leap in growth, especially in the last decade, suggests the huge influence of Bt cotton on farming choices in the country. However, the post-Bt cotton period also registered a marked increase in instability. The average cotton yield also showed some decline since 2008-09, presumably due to the marginal land that was being brought under cotton cultivation, erratic weather conditions (especially low rainfall) and increased attacks by sucking pests not sufficiently controlled by insecticides.

Fertilizer Consumption

The per hectare fertilizer consumption increased especially after 2007-08. The average consumption of fertilizers increased from 95 Kg/Hec in the pre-Bt cotton period (1996-2001) to 120 Kg/Hec in the post Bt-cotton period (2002-2008). The proportion of fertilizer cost to total cost also showed increasing trends in the post-Bt cotton period, due to increase in fertilizer prices as well as increased purchasing power of farmers, courtesy higher returns from Bt cotton.

Labour

The proportion of human labour cost to the total cost of cotton was the highest for the cotton crop over the years. It ranged between 25 percent and 50 per cent in various states. The human labour use increased positively from 96 man-days in the pre-Bt cotton period (1996-2001) to 104 man-days in the post-Bt cotton period (2002-2008), mostly for harvesting activities on account of higher yield. The average daily wages of landless labourers increased by more than 80 per cent from the pre-Bt cotton to the post-Bt cotton period, for all kinds of farm operations in all the surveyed regions. The increase in the wages of female labourers was around 10 times more than their male counterparts. At the all-India level labour wages were highest for post harvesting operations, followed by picking of kapas.

Demographics

Most Bt cotton growers surveyed across the country were small farmers (53.7 per cent) followed by medium (36.7 per cent) and then large farmers (9.5 per cent). Farmers mainly learnt of Bt cotton from co-farmers (72 per cent) followed by seed dealers (22 per cent), extension workers (3 per cent) and social media (3 per cent).

The total Bt-cotton area as a proportion of total cotton area was over 90 per cent. The all-India average yields of Bt Cotton were reported slightly higher than those of Non-Bt (Desi) cotton.

(to be continued.....)

Global Cotton Prices Continue to Show Bearish Trend

At present, bearish trend seems to be continuing in the long-term international cotton prices.

The demand for cotton from textile mills is appearing only when there is a decline in cotton prices. In addition, the Government policies of China and India, two major cotton producing countries, also affect the prices of cotton in international markets.

The bearish trend in global cotton markets are also due to a downturn in global cotton trade as well as owing to high ending stocks during the previous season.

The price of cotton in China's domestic market continues to get support from the Government policy of buying cotton for state reserves. However, the manner in which the Chinese Government will release its cotton stock, estimated to be about half

of the global ending stocks, would affect international cotton prices to a great extent.

Meanwhile, the Indian Government has upwardly revised its minimum support price (MSP) for long-fibre cotton for the current year to Rs. 3,600 per quintal from the earlier Rs. 2,800 per quintal. Similarly, the MSP for long-staple cotton has been raised from Rs. 3,300 per quintal to Rs. 3,900 per quintal.

As per the estimates of the Cotton Advisory Board (CAB), India's cotton production during the current season is likely to be 5.678 million tons, while domestic consumption is pegged at 4.42 million, thus leaving only 119,000 tons for export.

All the above factors would together determine the way the prices of cotton will move in international markets in the coming months.

21 New Textile Parks approved by CCEA

The Cabinet Committee on Economic Affairs has approved to start implementation and issuing financial sanction to the 21 parks sanctioned in the 11th Plan and to carry over the committed liability beyond Rs.200 crore amounting to Rs.819 crore into the 12th Plan, in amendment of the approval granted by the CCEA in October, 2010.

The CCEA further approved the adoption of amendments in guidelines of the scheme to improve implementation.

Background:

The scheme of Integrated Textile Parks has been successful in terms of leveraging private sector investment, employment generation and creation of need-based and product based world class state of the art infrastructure for the industry.

With the increasing costs of production in the established clusters and highlighted emphasis on environmental compliances, there is a growing need for establishment of such green field textile parks.

In October 2010, the CCEA approved a proposal for sanction of additional Parks under SITP to utilize the balance Rs.200 crore in the 11th Plan and number of projects to be limited in such a way that committed liability of the new Parks does not exceed Rs.200 crore in the 12th Plan. In accordance with this decision, 21 parks were sanctioned.

The process of releases took longer than anticipated and therefore funds available in the 11th Plan could not be utilized.

(Source: Tecoya Trend - 11.11.2012)

Rs 21 Crore Relief Package for Cotton Farmers

After much delay the Government of Maharashtra has released Rs 21.18 crore as relief package for cotton growers of the Yavatmal district. The amount will be credited to the bank accounts of the beneficiaries soon, Collector of the Yavatmal district informed.

The State government had sanctioned a special relief package for cotton and soyabean farmers of the State last year. Though a major share of the package was distributed a sum of Rs 24.77 crore was yet to be paid to some beneficiaries. The issue was raised by the farmers and the peoples' representatives before the Chief Minister of Maharashtra in August when he visited flood hit areas of the district. The Chief Minister had assured that the amount would be released immediately. However, even after three months it was not released. Recently Amravati Divisional

Commissioner held a review meeting and released Rs 13.60 crore for the district. But, it was not sufficient to meet the demand and the Collector persuaded the matter. Finally an additional sum was released to make Rs 21.18 crore out of the Rs 24.77 crore outstanding amount. The remaining amount of Rs 3.59 crore will be taken from the relief and rehabilitation department soon and credited to the bank accounts of the beneficiaries.

Meanwhile, the Maharashtra State Cotton Growers Co-Operative Marketing Federation has opened two centres in Yavatmal and Pusad and decided to start the procurement very soon. Earlier it had announced to procure cotton before Diwali festival. However, the cotton farmers of the remaining 14 Tehsils are waiting for government centres in their Tehsils. Non-availability of suitable premises is cited as the reason for delay in opening procurement centres.

It may be recalled that the government had announced the MSP at Rs 3,900 per quintal. The private traders have already started buying cotton from Rs 4,100-4,300 per quintal. The farmers' representative asked as to how can the farmers sell their cotton to the federation at a rate below the price set by private players?.

Source: Times of India - 17.11.2012)



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) 2012-13 Crop
November 2012

Sr. No.	Growth Standard	Grade /GPT	Grade	Staple	Micronaire	Strength	12th	13th	14th	15th	16th	17th
1	P/H/R	ICS-101	Fine	Below 22mm	5.0 – 7.0	15	11248 (40000)	H	H	H	11389 (40500)	11332 (40300)
2	P/H/R	ICS-201	Fine	Below 22mm	5.0 – 7.0	15	11389 (40500)				11529 (41000)	11478 (40700)
3	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	20	7367 (26200)	O	O	O	7452 (26500)	7452 (26500)
4	KAR	ICS-103	Fine	23mm	4.0 – 5.5	21	8211 (29200)				8295 (29500)	8295 (29500)
5	M/M	ICS-104	Fine	24mm	4.0 – 5.5	23	N.Q.				N.Q.	N.Q.
6	P/H/R	ICS-202	Fine	26mm	3.5 – 4.9	26	8858 (31500)	L	L	L	8942 (31800)	8914 (31700)
7	M/M/A	ICS-105	Fine	26mm	3.0 – 3.4	25	N.Q.				N.Q.	N.Q.
8	M/M/A	ICS-105	Fine	26mm	3.5 – 4.9	25	N.Q.				N.Q.	N.Q.
9	P/H/R	ICS-105	Fine	27mm	3.5 – 4.9	26	8914 (31700)				8998 (32000)	8970 (31900)
10	M/M/A	ICS-105	Fine	27mm	3.0 – 3.4	26	N.Q.	I	I	I	N.Q.	N.Q.
11	M/M/A	ICS-105	Fine	27mm	3.5 – 4.9	26	N.Q.				N.Q.	N.Q.
12	P/H/R	ICS-105	Fine	28mm	3.5 – 4.9	27	9195 (32700)				9280 (33000)	9223 (32800)
13	M/M/A	ICS-105	Fine	28mm	3.5 – 4.9	27	9223 (32800)	D	D	D	9280 (33000)	9280 (33000)
14	GUJ	ICS-105	Fine	28mm	3.5 – 4.9	27	9392 (33400)				9476 (33700)	9448 (33600)
15	M/M/A/K	ICS-105	Fine	29mm	3.5 – 4.9	28	9364 (33300)				9448 (33600)	9480 (33600)
16	GUJ	ICS-105	Fine	29mm	3.5 – 4.9	28	9476 (33700)	A	A	A	9505 (33800)	9505 (33800)
17	M/M/A/K	ICS-105	Fine	30mm	3.5 – 4.9	29	9533 (33900)				9589 (34100)	9589 (34100)
18	M/M/A/K/T/O	ICS-105	Fine	31mm	3.5 – 4.9	30	9870 (35100)	Y	Y	Y	9870 (35100)	9870 (35100)
19	K/A/T/O	ICS-106	Fine	32mm	3.5 – 4.9	31	10067 (35800)				10011 (35600)	9983 (35500)
20	M(P)/K/T	ICS-107	Fine	34mm	3.0 - 3.8	33	12570 (44700)				12570 (44700)	12570 (44700)

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