



# Cotton Statistics And News

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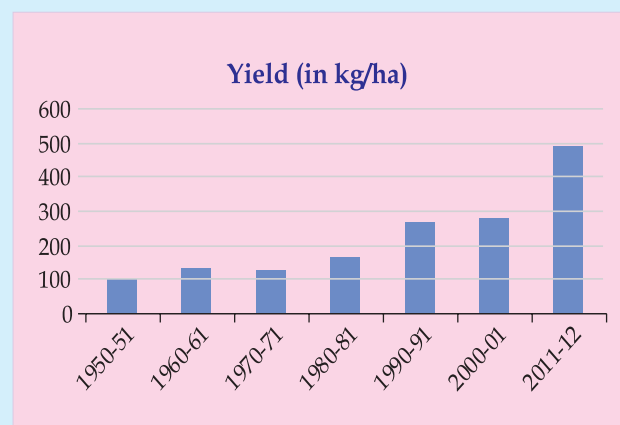
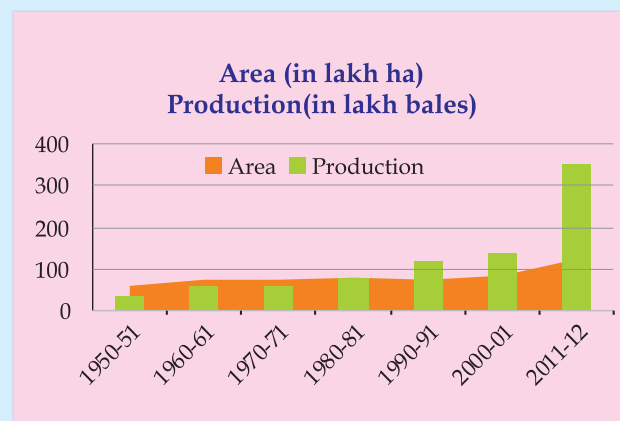
## Cotton's "Shobha Yatra" During Last Six Decades

Since the launch of the Five Year Plans in 1950-51, India has made tremendous progress in agriculture, industry and allied fields. In the case of agriculture, the country has not only attained self-sufficiency in food production but has also surplus production in some years for exports. The story is similar in the case of cotton also. Not only has the country attained a production level to meet in full the domestic textile industry's requirements, but also a sizable quantity for exports. In fact, India has emerged as the second largest supplier of this fibre to the textile industry's requirements of several foreign countries, China being among the leading ones. Further, the country could build up its textile industry to occupy the second rank among all the textile goods producing nations because of the growth made in cotton production. Let the statistics speak for themselves.

Year	Area (lakh ha)	Production (lakh bales)	Yield (kg/ha)
1950-51	58.82	34	99
1960-61	76.10	60	134
1970-71	76.05	57	127
1980-81	78.23	78	169
1990-91	74.39	117	267
2000-01	85.76	140	278
2011-12	121.98	353	493

As may be seen, the cotton area has more than doubled during the last six decades while the production has soared more than ten times.

Significantly, the yield per hectare has also risen by nearly five times. In the past, most of the domestic cotton production belonged to short and medium staple cottons only. However, at present the production pattern is dominated by long and superior long staple cottons. It is this transformation that triggered the rapid growth of the domestic textile industry which in the past had to depend on imports to a sizable extent while it can now rely on domestic supplies for all staple categories except for some small requirements of extralong staple cotton.



The quantum and value of raw cotton exports since 2001-02 have been as under:

Year	Qty. of Exports (lakh bales)	Value of Exports (in Rs. Cr.)
2001-02	0.5	44
2002-03	0.8	66
2003-04	12	1,089
2004-05	9	657
2005-06	47	3,951
2006-07	58	5,267
2007-08	89	8,366
2008-09	35	3,837
2009-10	83	10,270
2010-11	73	14,000
2011-12	128.8	N.A.

(N.A. - Not Available)

It will be seen that during 2011-12, India exported as much as 128.8 lakh bales of cotton. During 2010-11, exports were lower at 73 lakh bales, the value of which was Rs. 14,000 crore.

Presumably, the value of exports at 128.8 lakh bales in 2011-12 could have fetched about Rs. 17,000 crore. Apart from the farmers' own efforts and the promotional schemes like the Technology Mission on Cotton, the progressive increase in the Minimum Support Prices (MSP) fixed by the Government from year to year, as per recommendations of the Agricultural Costs and Prices Commission, also enthused farmers to put in their best efforts to raise production as there was assurance about their income. The MSP fixed for a few leading varieties was as under:

Year	MSP Fixed (Rs./Qtl.)			
	J-34 (Punjab)	H-4/H-6	S-6	DCH-32
2004-05	1815	1960	1960	2065
2006-07	1890	1990	2005	2350
2007-08	1950	2030	2055	2600
2008-09	2800	2850	2850	3400
2010-11	2800	2850	2850	3400
2011-12	3100	3150	3150	3700

(Source: CITI Textile Times - July-Aug. 2012)

## Bt, Indeed, the Better Cotton ?

(Continued from last issue .....)

### Cost of Cultivation vs Income

The MSP of cotton increased from Rs.1363 per quintal in the Pre-Bt cotton period (1992-2001) to Rs.2242 per quintal in the Post-Bt cotton period. The farm harvest prices (FHP) of cotton also increased across all States in the Post-Bt cotton period. However, both MSP and FHP showed high fluctuation, indicating instability in cotton prices over the years in all the States. The MSP of long staple cotton in the country in 2010-11 was Rs.3000 per quintal. The field survey is stated to have shown that farmers in all the States sold cotton above the MSP, the all-India average being Rs.4377 per quintal. The ensuing net returns per hectare derived from the cost of cultivation analysis (total working capital) of cotton was found to be positive in all the regions, indicating good profits to farmers from cultivation of Bt cotton.

The average net return from Bt cotton was Rs.65308 per hectare. The total return or net return from Bt cotton was much higher than income from other non-farm sources. Data from the Ministry of Agriculture is claimed to have shown that the average per hectare cost of cultivation increased by 67.7 per cent in the Post-Bt cotton period (2002-2009) from the Pre-Bt cotton period (1996-2001). The field survey is said to have shown that high costs in Bt cotton were mainly due to human labour (52.7 per cent of the total cost) for planting, weeding and harvesting followed by cost of fertilizers (10.8 per cent), seed (9.6 per cent) and mechanization (8.9 per cent). Secondary data on per hectare value of yield is also stated to have shown a 94 per cent increase in the Post-Bt cotton period from the Pre-Bt cotton period. The average net return per hectare is also claimed to have increased significantly from the Pre- to Post-Bt cotton period by 375 per cent. This change was

much greater than the increased cost of Bt cotton cultivation. The analysis is stated to have revealed that despite high cost of cultivation, farmers were deriving greater benefits from Bt cotton cultivation.

**Farmer Perception**

As much as 94 per cent of farmers appears to have stated that the Bt cotton yields were higher than Non-Bt cotton while 87 per cent stated that returns were also higher. Also, 84 per cent of the farmers stated that the quantity of seed usage per hectare on Bt cotton was less than that used in Non-Bt cotton. However, 92 per cent farmers stated that the expenditure on Bt cotton seeds was more than that of Non-Bt cotton.

**Socio-Economic Impact**

The field survey documented the effect of increased returns from Bt cotton on the livelihood status of farmers and landless labourers. On an average, 85 per cent farmers and landless labourers invested in better quality education for their children, 77 per cent reported intake of high value and nutritious food, 70 per cent spent more money on recreation and social functions, 75 per cent invested on health of their family members and 64 per cent on the health of livestock.

*(Concluded)*

*(Source: Farmers' Forum, July-August 2012)*

**"Sneh Sammelan"  
Organised At Cotton Exchange Building, Cotton Green**

In keeping with its rich tradition, Cotton Association of India, jointly with Bombay Cotton Merchants' & Muccadums Association, organised a "Sneh Sammelan", a get-together to celebrate Diwali and New Year at Cotton Exchange Building, Cotton Green on 19th November 2012. It was well attended by large number of members.

Shri Nayan C. Mirani, Vice-President welcomed the members present on the occasion. They alongwith Shri Sushilkant P. Shah, Shri P.P. Hirji and Shri Vinay Kotak addressed the members and expressed hope that the current season will bring all round prosperity for the cotton trade.

Shri Dhiren N. Sheth, President, CAI alongwith

All members present at the get together took the prasad of Lord Ramachandraji.

**Glimpses of Sneh Sammelan**



<b>UPCOUNTRY SPOT RATES</b> (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	19th	20th	21st	22nd	23rd	24th
1	P/H/R	ICS-101	Fine	Below 22mm	5.0 – 7.0	15	11332 (40300)	11248 (40000)	11248 (40000)	11107 (39500)	11051 (39300)	11051 (39300)
2	P/H/R	ICS-201	Fine	Below 22mm	5.0 – 7.0	15	11473 (40800)	11389 (40500)	11389 (40500)	11248 (40000)	11192 (39800)	11192 (39800)
3	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	20	7592 (27000)	7705 (27400)	7705 (27400)	7705 (27400)	7705 (27400)	7649 (27200)
4	KAR	ICS-103	Fine	23mm	4.0 – 5.5	21	8436 (30000)	8436 (30000)	8436 (30000)	8436 (30000)	8436 (30000)	8436 (30000)
5	M/M	ICS-104	Fine	24mm	4.0 – 5.5	23	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.
6	P/H/R	ICS-202	Fine	26mm	3.5 – 4.9	26	8942 (31800)	8998 (32000)	8998 (32000)	8942 (31800)	8914 (31700)	8858 (31500)
7	M/M/A	ICS-105	Fine	26mm	3.0 – 3.4	25	N.Q.	N.Q.	N.Q.	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.	N.Q.	N.Q.	N.Q.
9	P/H/R	ICS-105	Fine	27mm	3.5 – 4.9	26	8998 (32000)	9055 (32200)	9111 (32400)	9026 (32100)	9026 (32100)	8970 (31900)
10	M/M/A	ICS-105	Fine	27mm	3.0 – 3.4	26	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.
11	M/M/A	ICS-105	Fine	27mm	3.5 – 4.9	26	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.
12	P/H/R	ICS-105	Fine	28mm	3.5 – 4.9	27	9251 (32900)	9308 (33100)	9308 (33100)	9251 (32900)	9195 (32700)	9139 (32500)
13	M/M/A	ICS-105	Fine	28mm	3.5 – 4.9	27	9280 (33000)	9251 (32900)	9251 (32900)	9251 (32900)	9195 (32700)	9139 (32500)
14	GUJ	ICS-105	Fine	28mm	3.5 – 4.9	27	9448 (33600)	9448 (33600)	9448 (33600)	9420 (33500)	9420 (33500)	9280 (33000)
15	M/M/A/K	ICS-105	Fine	29mm	3.5 – 4.9	28	9364 (33300)	9336 (33200)	9336 (33200)	9336 (33200)	9280 (33000)	9223 (32800)
16	GUJ	ICS-105	Fine	29mm	3.5 – 4.9	28	9505 (33800)	9476 (33700)	9476 (33700)	9476 (33700)	9476 (33700)	9336 (33200)
17	M/M/A/K	ICS-105	Fine	30mm	3.5 – 4.9	29	9589 (34100)	9561 (34000)	9561 (34000)	9505 (33800)	9420 (33500)	9364 (33300)
18	M/M/A/K/T/O	ICS-105	Fine	31mm	3.5 – 4.9	30	9786 (34800)	9701 (34500)	9701 (34500)	9701 (34500)	9617 (34200)	9561 (34000)
19	K/A/T/O	ICS-106	Fine	32mm	3.5 – 4.9	31	9983 (35500)	9870 (35100)	9870 (35100)	9842 (35000)	9701 (34500)	9701 (34500)
20	M(P)/K/T	ICS-107	Fine	34mm	3.0 - 3.8	33	12710 (45200)	12710 (45200)	12710 (45200)	12710 (45200)	12654 (45000)	12598 (44800)

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