

Weekly Publication of



Cotton  
Association  
of India

# COTTON STATISTICS & NEWS

Edited & Published by Amar Singh

2014 • No. 38 • 16th December, 2014 Published every Tuesday

Cotton Exchange Building, 2nd Floor, Cotton Green, Mumbai - 400 033  
Phone: 30063400 Fax: 2370 0337 Email: cai@caionline.in  
www.caionline.in

## The Hon'ble Minister of State for Textiles (Independent Charge) visits CAI

**S**hri Santosh Kumar Gangwar, the Hon'ble Minister of State for Textiles (Independent Charge) visited CAI on Tuesday, December 9, 2014. He was accompanied by Smt Kiran Soni Gupta, Textile Commissioner, Mumbai. They were given a warm welcome by CAI President, Shri Dhiren N. Sheth, who greeted them with bouquets of flowers and took them around the historic premises of the CAI. This was followed by lunch. Presentations were made on the CAI, the COTAAP Research

Foundation and the School Contact Programme, by Shri Dhiren N. Sheth, Shri Pradeepbhai Gujarathi and Smt Aparna Chawathe respectively. This was followed by a screening of the King Cotton film. The visit concluded with Shri Gangwar's meeting with cotton exporters. Here are a few glimpses of the visit.







# YOU GROW WITH TIMELY MARKET REPORTS

Cotton, Yarn and more

### RELEVANT NEWS



We have a wide network of correspondents all over, working towards bridging the gap between you and the market. These correspondents are experts in the field of cotton and report live from the mandi. They assist us in keeping you updated on what exactly is happening in the market. So that the market incidents are never too far from you!

### VALUABLE INTERVIEWS



JustAgri has achieved the status of being the primary source of information for the cotton industry in a short period of time. Our interview section has almost all the answers you are looking for. Sometimes information that is not available anywhere else is found from direct interviews and staying in touch with the right people.

Package	Cost Per Year + Service Tax	Total
Cotton Email	9000 /- + 12.36	10112.40
Cotton SMS	4500 /- + 12.36	5056.20
Yarn Email	3804 /- + 12.36	4274.18
Yarn SMS	1500 /- + 12.36	1685.40
Pulses SMS	2500 /- + 12.36	2809.00
Oilseeds SMS	2500 /- + 12.36	2809.00



PDF REPORTS



STATISTICS



SMS ALERTS



24Hr SUPPORT

INFOLINE COTTON TRADING DESK QUALITY CERTIFICATION WAREHOUSING COLLATERAL MANAGEMENT



Call 022-4009-5023 / 24 / 82

Email [cotton@indiancommodities.com](mailto:cotton@indiancommodities.com)

# Cotton Production Systems - Need for a Change in India

*(Dr. K.R. Kranthi, Director of Central Institute for Cotton Research (CICR), Nagpur has completed his Ph.D in Entomology from IARI, New Delhi. He has more than 20 years of experience in the field of cotton research.*

*The views expressed in this column are his own and not that of Cotton Association of India)*

India has the largest cotton acreage in the world with 35 to 36% of the global acreage of 32 to 33 m hectares. While the area in India has been increasing continuously over the past 10 years, it is on decline in several countries including the major cotton producers such as China and the USA. As a result India is now poised to become the world's largest cotton producer. Though India cultivates cotton in 36% of the global area, it contributes only 25% of the global production of 26 million tonnes. It is matter of concern that the productivity continues to be low in India at an average of about 500 to 568 kg per hectare over the past 5 years, despite the wide-spread adoption of some very advanced technologies such as 'hybrid cotton' and 'Bollgard-II' at more than 90% of the acreage in the country over the past 5 years. There is thus an imminent need to examine and explore for ideas and technologies that can enhance the yields in India. More importantly, the reasons for low productivity in the 100% irrigated area of Punjab, Haryana and Rajasthan must be examined and remedied. This article is an attempt to analyse the current imbroglio and suggest possible solutions for the low productivity in the country.

## EXPERT'S Column



Dr K.R. Kranthi

## Input issues and possible solutions

Cotton is a labour intensive crop. Currently more than 95% of the cotton area in India is under Bt-hybrids. Hybrid seeds are planted in a grid of 90x60 cm or 90x90 cm in rainfed farms and 90x90 cm or 90x120 cm in irrigated areas. The grid can vary under different conditions and requires intensive labour for marking and dibbling. On an average, a total of about 100-110 man-days are required for one hectare cultivation to include all operations such as sowing, weeding and harvesting. Inputs such as seeds, fertilizers, pesticides and water are other key factors that determine productivity. One packet of Bt cotton hybrid seed costs Rs. 950 per packet of 450 grams Bt-hybrid seed + 120 grams non-Bt cotton seed. For normal spacing of 90x90 cm, 4 to 5 packets are required per hectare. Irrigated cotton generally requires more fertilizers, extends over a longer duration of 180 to 240 days and attracts more insect pests, thus necessitating the application of more pesticides. Surveys conducted by CICR show that the usage of fertilizers and insecticides has been increasing over the past 8 years.

Estimates show that 0.9 to 1.2 million tonnes of fertilizers were used per year for cotton cultivation during 1990-2000. The usage increased rapidly to 1.8 million tonnes by 2007, mainly due to the increase in acreage of hybrid cotton from 38% in 2000 to 70% in 2007. Fertilizer usage increased to 2.0 to 2.5 million tonnes by 2013 especially after the rapid spread of hybrid cotton and all across North India during 2006 to 2013. The cost of seeds, fertilizers, insecticides and labour increased to more than double over the past

Table 1. Global cotton production & productivity 2013

	*Area M ha	Production M bales (170 kg)	*Productivity kg/ ha	Irrigation %
India	11.7	39.09	568	40
China	4.9	40.98	1422	90
USA	3.05	16.52	921	40
Pakistan	3.0	12.15	689	100
Brazil	1.12	9.98	1516	2
Australia	0.44	5.3	2047	74
World	32.77	151.51	786	73
World (excl. India)	221	1189	907	90

\*Source: USDA -Cotton: World Markets and Trade July 2014.

6 to 7 years compared to previous years. The market prices of cotton were above the minimum support price over at least the past 8 years, primarily because of export of raw cotton and increase in the domestic use by the textile industry. The increase in market price to an extent of Rs. 6500 to 6800 per quintal raw cotton during 2011 led to an increase in the cotton acreage by an additional 0.8 to 1.0 million hectares during the subsequent three years. However, the domestic market prices have declined in recent months, presumably due to a possible decline in export of raw cotton.

Introduction of Bt cotton in India in 2002 led to a significant decline in the insecticide usage on cotton from 1.0 to 1.2 kg/ha (prior to 2002) to 0.5 kg/ha by 2006. But, increased infestation of whiteflies in North India and whiteflies, thrips and leaf hoppers across the country necessitated intensive application of insecticides in the subsequent years, especially during 2013 and 2014. The rapid introduction of more than 1000 new cotton hybrids after 2006 and the increase in the area of hybrid cotton from about 45% in 2006 to 95% in 2013 quite possibly led to increased infestation of sap-sucking insect pests and the concomitant insecticide usage to 11,598 M tonnes (0.9 kg/ha) by 2013.

Interestingly, the nitrogen use on cotton in USA has been about 0.4 to 0.5 million tonnes per year over the past 50 years but the yields increased over the years. The use of nitrogen fixing crops such as alfalfa, soybean, cowpea, peas, field beans, rice bean and other legumes in the cotton cropping systems greatly helped many countries to reduce the application of chemical nitrogen fertilizers. Additionally, these crops provide excellent support systems for naturally occurring biological control of insect pests. Other strategies such as conservation tillage, crop residue recycling and application of organic manure has helped in enhancing the soil organic carbon content and efficient utilisation of nutrients. In many parts of India, crop residues are burnt. Currently cotton is grown as a mono-crop and cropping systems are commonly devoid of leguminous crops. There is an imminent need to strengthen research in these areas so that nutrient efficient cropping systems should be developed to reduce the additional need for chemical fertilizers. Such systems which build and conserve organic residues containing adequate micro-nutrients not only assist the cotton crop to utilize macro-nutrients more efficiently but also help plants to combat sap-sucking pests and diseases in a very effective manner. Thus, with well defined cropping

Table 2. Insecticide usage on cotton

Year	Quantity of insecticides in Metric tonnes					Cotton Area and Yield			
	Sucking pests	Bollworms	Other pests	Total insecticides on cotton	Total insecticides	Total area lakh ha	Bt area lakh ha	Bt area %	Yield Kg/ha
2000	3716	6647	625	10988	30120				
2001	3312	9410	454	13176	34910				
2002	2110	4470	283	6863	25962	78	0.294	0.38	331
2003	2909	6599	537	10045	32571	77.85	0.931	1.2	387
2004	2735	6454	178	9367	35432	89.2	4.985	5.59	463
2005	2688	2923	302	5914	32750	88.17	10.148	11.51	468
2006	2374	1874	375	4623	31363	91.73	34.61	37.73	519
2007	3805	1201	536	5543	35807	94.39	63.34	67.1	567
2008	3877	652	528	5057	26624	94.06	76	80.8	524
2009	5816	500	410	6726	35404	101.52	83	81.76	486
2010	7270	249	366	7885	36761	111.41	101.2	91.54	495
2011	6372	222	234	6828	34469	121.91	112	91.87	496
2012	6872	178	184	7234	42595	115.53	108.86	94.23	552
2013	11366	121	111	11598	45500*	119.78	114.58	95.66	567

\*estimate data compilation: Dr K. R. Kranthi and Dr A. R. Reddy, CICR

system strategies it can be possible to reduce the application of chemical fertilizers and pesticides in cotton ecosystems.

### Yield enhancement and effective pest and disease management

In 2013, China produced 6.96 million tonnes from 4.9 million hectares with productivity of 1,422 kg/ha, while India managed to produce 6.64 million tonnes from 11.7 million hectares with an average productivity of 568 kg/ha. Interestingly, India has about 4.9 million hectares under irrigation which is actually equivalent to the total cotton acreage of China. Why does India produce only 3.3 million tonnes from its irrigated area of 4.9 million hectares compared to 6.96 million tonnes from an equivalent total area in China? It is certainly an issue to ponder as to why the productivity is low in irrigated regions of India, despite being saturated with a high yielding technology such as hybrid cotton, and that too incorporating Bollgard-II which very effectively controls bollworms.

Analysis shows that the low productivity in India could be mainly because of the fact that many of the currently cultivated hybrids are inherently designed to perform best under high input conditions of fertilizers and pesticides. However, farmers have been unable to properly apportion inputs in a timely and appropriate manner, thus resulting in lesser yields. It is important to note that long duration varieties or hybrids are not ideally suited for rain-fed tracts, which suffer from severe soil moisture deficit during the boll formation stage. Unfortunately, majority of hybrids currently under cultivation in rainfed tracts of India belong to the category of long duration. To complicate the problem, spurious seed in the market and spurious pesticides also lead to low yields.

Low yields in rainfed farming systems are primarily because of the cultivation of late maturing varieties that enter into reproductive stage of flowering and boll formation to coincide with moisture stress especially in shallow and marginal soils after withdrawal of monsoon. This phenomenon becomes more severe under late sown conditions. In late maturing varieties and hybrids the crop period extends to 180 to 240 days with the vulnerable reproductive phase that extends over 80-90 days especially in hybrid, wherein the expectations are 80-100 bolls per plant in the existing low density systems of 11,000 to 15,000 plants per hectare. Such systems also create severe moisture stress during the reproductive phase of the crop, thus leading to poor boll retention.

It is also important to note that the crops needs about 2 to 3 mm water per day during vegetative phase and 6-7 mm per day during reproductive phase. Unfortunately under rain-fed systems, water availability is un-necessarily high during vegetative phase and very low at less than 2 to 3 mm per day during the reproductive stage. The most effective strategy is to cultivate early maturing varieties of 150 days duration under early sown conditions in rain-fed farms. Reproductive phase in such plants coincides with adequate availability of soil moisture and thus yields can be enhanced. Early sown -early maturing varieties also help the plants to escape bollworm peaks. For example, the American bollworm peaks in central and south India occur in September and October and the Pink bollworm infestation starts in winter during late November. Early maturing varieties when sown by the second week of June develop mid-stage green bolls by mid September which are not very amenable for damage by American bollworms. Such crop is harvested by late November and thus escapes the pink bollworm and also the spotted bollworm. The vulnerable window for bollworm attacks is actually about 20-25 days in early maturing compact varieties under high density planting systems (about 167,000 plants per hectare) with expectations of 5-6 bolls per plant. In the less likely possibility of bollworm infestation during the vulnerable reproductive phase, the recent introduction of new insecticides provides robust pest management options. The availability of a few new insecticides such as Chlorantraniliprole, Flubendiamide, Spinosad and Emamectin benzoate, has provided excellent option of controlling bollworms very effectively with just one or two sprays during the vulnerable window period. Thus pest management becomes much simpler in early sown early maturing high density cotton. It is also important to note that avoidance of synthetic pyrethroids helps in preventing the American bollworms and whitefly infestations.

In North India the productivity is low despite 100% irrigation, primarily due to the cultivation of bushy varieties or hybrids under low density conditions. In the early vegetative stage plants put forth excessive vegetation and exhaust soil nutrient reserves, which become deficient during the reproductive phase with poor source to sink ratio for boll formation when the plant needs nutrients the most. There are several other yield limiting factors, but poor harvest index in north India is one of the major reasons for low yields. Thus, early maturing varieties with high harvest index can enhance yields in North India.

The occurrence of whiteflies and the whitefly transmitted leaf curl virus are problems that need effective solutions. It is commonly known that whitefly infestations are easily aggravated by insecticide usage. Several countries rely on simple solutions of appropriate cropping systems with legume crops to strengthen biological control, application of organic manure, vermi-composting, proper micronutrient management and sprays of KCl that help cotton plants to combat the whiteflies instead of worsening the problem with insecticide applications. Late sown crop suffers high level of the disease. Therefore, the most effective strategy to combat the dreaded cotton leaf curl virus (CLCuV) in north India is to take up early sowing of early maturing varieties that tolerate CLCuV to ensure effective escape from the disease.

Our experience with implementation of high density planting systems in small scale farming systems showed that with the existing systems, farmers are unable to maintain a 10 cm distance between plants within each of the rows spaced at 60 cm between rows. Therefore machine planting is essential to maintain proper spacing to obtain

high performance from the high density crop. Also, machine harvesting is the best possible option for high density planting systems, since the height of the plants rarely increase over 100 cm, a condition that is best suited for machine pickers.

### Conclusion

High yields can be obtained with low chemical (fertilizer and pesticide) input usage and efficient pest management can be achieved with minimum intervention by exercising simple strategies which are being followed in several countries across the globe. To achieve such stable sustainable cropping systems in India, it is essential to develop robust compact early maturing varieties that are resistant to sap-sucking insects and amenable for high density planting. This is certainly feasible in the near immediate future. It is also important to strengthen research to devise nutrient-efficient cropping systems in high density planting for effective pest management and soil carbon and nutrient enhancement to obtain high yields in a sustainable manner.

*Courtesy: Cotton India 2014*

## RUCHI WORLDWIDE LIMITED

Trustworthy Quality Supplier

Government Recognized Star Export House

Ruchi

- ★ Leading Raw Cotton Exporter in India.
- ★ Fully owned subsidiary of Ruchi Soya Industries Ltd, India's No. 1 Agri Commodities Processing Company and Business conglomerate belongs to US\$ 6 Billion Ruchi Group.
- ★ A team of in-house experts who have over 200 years of combined experience of dealing in Indian raw cotton.
- ★ MEMBERSHIP: International Cotton Association, AQSIQ, Cotton Association of India, American Cotton Shippers Association (WCEA) & TEXPROCIL (Yarn Export).



#### Head Office:

Mahakosh House, 7/5, South Tukoganj, Nath Mandir Road, Indore - 452 001 (M.P.)  
Ph.: +91-731-4017679, 2518162 Fax: +91-731-2527250

#### Regd. Office:

Ruchi House, Royal Palm, Aarey Colony, Mayur Nagar, Goregaon (E) Mumbai-400065 (M.H.)  
Ph: 91-22-39388293/200

E-mail: [cotton@ruchigroup.com](mailto:cotton@ruchigroup.com)  
Website : [www.ruchigroup.com](http://www.ruchigroup.com)

# A Hundred Years of Indian Cotton

By Professor M.L. Dantwala

## CHAPTER VII: FUTURES TRADING

(Continued from Issue no. 35)

On 17th March 1943, the Finance Member of the Government of India administered a stern warning to the cotton trade, stating that there was no justification for boosting up the prices of raw cotton as was being done, and that, if it persisted in doing so, Government would mobilise all its resources to check the advance. Accordingly a Government communique was issued on 1st April 1943, stating:

- (a) that Government contemplated taking measures intended to lead to a comprehensive scheme of cloth and yarn control designed to produce an increase in production and to ensure cloth and yarn to consumers at reasonable prices ;
- (b) that it was not the intention of Government to impose a direct control on cotton in primary wholesale markets at that time ;
- (c) that Government were perturbed by the wide fluctuations in cotton and that they intended to prevent violent fluctuations without delay ;
- (d) that they intended to take effective steps to prevent trading in new crops;
- (e) that it was not the intention of Government to interfere with trading in spot and delivery contracts, and
- (f) that it was not the intention of Government to deny fair prices to growers and that Government expected both the trade and the public to grasp that their policy was to eliminate speculative element in the marketing of cotton at a time when it was desirable not to impede the expansion of foodstuffs production.

On 3rd April 1943, the Government of India (the Department of Commerce) addressed a letter to the East India Cotton Association intimating that, as the Government had been greatly perturbed by the wide fluctuations which had characterized the Hedge Contracts operated in Bombay and Karachi, they had decided to take effective steps to disallow trading in new crop Hedge Contracts and that the question

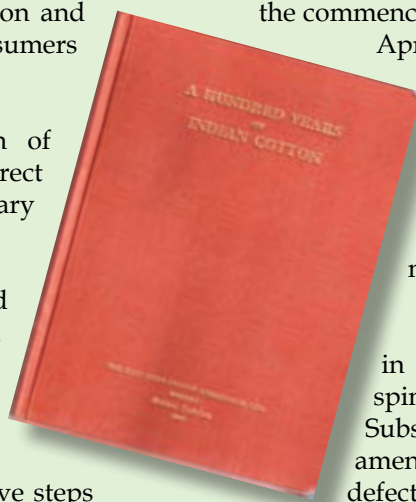
of liquidating the Hedge Contracts covering the current crop was under active consideration of the Government.

The East India Cotton Association voiced their disapproval of the entire policy and the procedure proposed by Government. Government however went ahead and on 1st May 1943 issued the Cotton (Forward Contracts and Options Prohibition) Order which prohibited all persons from entering into (a) any forward contract for the sale or purchase of cotton in respect of new crops, and (b) any option in cotton, and declared that any such contract entered into after the commencement of the Order (that is, after 30th April 1943) should be void. Any person contravening the provisions of the Order was liable under the Defence of India Rules to imprisonment which might extend to three years, or to a fine, or to both. The Order came into force immediately after the notification.

The Order banned even business in Delivery Contracts relied upon by spinners for a regular supply of cotton. Subsequently, however, the Order was amended with a view to remedying this defect.

Within a few days the Government decided by an Order, dated 18th May 1943, under the Defence of India Act, to prohibit Forward Contracts even in the current crops. With the promulgation of the Order, prices of cotton collapsed sharply overnight and a state of nervousness set in on 19th May; and though the market remained officially open, no business was transacted in the Ring.

Pursuant to their Order, Government, on 21st May 1943, fixed Rs. 565 and Rs. 568 per candy for the May and July 1943 deliveries respectively. A few days later, they announced that their acceptance of these rates in the interests of the smooth working of the final clearing did not necessarily mean that they considered them to be reasonable or fair and that in their view a fair price would be Rs. 550 in terms of the Indian Cotton Contract. They also advised mills not to pay more than the price indicated by them based on delivery ex-warehouse, Bombay, for top grades of some of the main styles.





The East India Cotton Association was of the opinion that the rates fixed were much too low and inequitable and requested Government to reconsider them, but the latter declined to comply.

Government's policy was further explained by an official spokesman a few months later. He said that Government considered themselves bound to ensure that millowners received their requirements of cotton at the stipulated prices, and in order to secure this they would be prepared, if necessary, to requisition cotton by whomsoever held, at the maximum basic price of Rs. 550 per candy.

For nearly five months the market was closed for all Futures trading. Government gradually realised the technical difficulties experienced by cotton mills, cotton traders and especially growers of cotton, following the prohibition of Futures trading. They, therefore, decided to permit the re-opening of the cotton Futures market subject to some specific conditions. The Cotton (Forward Contracts and Options Prohibition) Order was accordingly amended and the following contracts were exempted from its operation:-

"Forward Contracts entered into by members of the East India Cotton Association Ltd., who were entitled to the use of the Clearing House, subject to the rules and bye-laws of that Association in terms of the Indian Cotton Contract (basis Khandesh Jarilla 3/4") provided that the price payable was not more than Rs. 550 and not less than Rs. 400 per candy, Bombay delivery."

It was further provided that every member should, on each clearing day commencing from 12th November 1943, deposit with the said Association a sum (not carrying interest) which should not be less than Rs. 25 per bale on the net open Futures position of each such member, regardless of the price of such contracts.

In a letter addressed to the Association, the Government enumerated the conditions under which permission would be given for the re-opening of the Futures trading:-

- (1) That trading in options shall continue to be prohibited and shall remain a penal offence.
- (2) That forward trading shall be subject to the maximum and minimum prices indicated in the notification.
- (3) That every member entitled to the use of the Clearing House shall deposit with the Association which shall in its turn deposit with the Imperial Bank of India, a sum (not carrying interest) which

shall not be less than Rs. 25 per bale on the net open Futures position of each such member, regardless of the price level.

- (4) That the Association shall undertake to enforce rigidly its various disciplinary bye-laws, e.g., any infringement of the limitation of trading hours shall be dealt with immediately by expulsion etc.
- (5) That the Association must take power to call upon any of its members at any time to declare his open position and the accounts on which it is held. If the Association is unwilling to take such power and exercise it as and when necessary, Government will themselves exercise this power.
- (6) That when cotton prices are at the ceiling rates, Government shall retain the right of requisitioning cotton for the use of mills at prices, say, 3 to 5 percent below the ceiling rates.

On 18th November 1943, the Government of India issued a press note announcing the means by which they intended to maintain the price of Indian cotton between the floor of Rs. 400 and the ceiling of Rs. 550 per candy in terms of the Indian Cotton Contract. Their plan was to buy the new crop of the 1943-44 season by whomsoever offered in Bombay, Karachi, or up-country at floor prices or their up-country equivalent. It was further stated that they would not buy any cotton unless the Indian Cotton Contract in the market of the East India Cotton Association in Bombay was quoted at the floor price of Rs. 400 per candy. They would then buy basic Jarilla Khandesh 3/4" staple at the floor price of Rs. 400 per candy and other styles at floor prices or at the market rate for specified varieties, whichever was lower.

Prices went on declining and the Government of India brought their purchase plan into operation on 5th April 1944, as an ad-hoc arrangement, even though the price of the Indian Cotton Contract in the Bombay Market had not touched the floor level. They gave orders for the purchase of Broach cotton up-country at the market rate but not above Rs. 405 per candy, f.o.r. Bombay, in order to relieve the distress there. These purchases were made through certain purchasing agents appointed by them.

On 21st April 1944, the Indian Cotton Contract touched Rs. 420 for May delivery, a level at which, the Government had said it would be within their discretion to buy cotton.

The Government of India commenced purchases of Jarilla cotton 3/4" staple in Bombay and up-

country at Rs. 410 per candy on 26th April 1944 when the Indian Cotton Contract May delivery ruled at Rs. 418 per candy. They also purchased American seed styles in Karachi, Sind and the Punjab and Hubli-Jaywant in the Compta districts. As Government purchases were restricted to certain varieties, the prices of others declined sharply. It was pointed out that such a policy Was not in keeping with the spirit of the assurance given to the trade in preceding October, and a request was made to Government to purchase other varieties also at the prevailing rates. Government replied that in those days of an acute transport problem they must direct their cotton buying operations as far as possible to avoid buying cotton for which railway wagons and/or shipping space would be required.

The Indian Cotton Contract July delivery having touched Rs. 400 on 20th June 1944, Government's main buying plan was put into operation on the same day, and Government commenced purchases of all varieties of Indian cotton tenderable against the contract at specified rates.

These buying operations continued up to 25th July 1944, when the July contract matured. However, on 7th August 1944, Government's buying operations were commenced once again in respect of Fine Jarilla 3/4" staple at Rs. 400 per candy, when the Indian Cotton Contract, September delivery, ruled at Rs. 408 per candy. On the Indian Cotton Contract being grounded at Rs. 400 on 28th August 1944, Government's main buying plans again came into operation in respect of all varieties of cotton tenderable against the contract and purchases continued up to the 25th September, after which date Government's buying plans for the season 1943-44 came to an end. The total purchases by Government in Bombay and up-country till 31st August 1944, as reported by the Textile Commissioner, totalled 220,000 bales.

### The Karachi Cotton Association

Mention must be made of a sister institution at Karachi. The Karachi Cotton Association was established in 1933. Prior to that, the cotton trade was regulated by the Karachi Chamber of Commerce and the Karachi Indian Merchants' Association. In 1927 an ad-hoc organization called the Karachi Joint Cotton Committee was set up and it introduced a uniform contract for forward dealings. The main objects of the Association are : unified control of Karachi cotton trade, creating and maintaining facilities for its needs and its orderly development, and bringing about standardization to create a modern cotton market. It also set up a Clearing House. The management and control of the Association vests in a Board of Directors consisting of 17 members (eight of whom are buyers/exporters) elected every

year by the general body of members. The Board is assisted by Standing Committees (nominated by the Board): Appeal Committee, Special Appeal Committee, Standards Committee, Clearing House Committee, Bye-laws Committee, Standing Finance Committee and Rates Committee.

During the past decades, the vast irrigation schemes have enabled the Punjab and Sind, the principal cotton areas served by Karachi, to increase rapidly their cultivation of cotton. Between the two world wars the area under cotton has more than doubled and has now crossed the 3-million acre mark. What is more significant is that the percentage of production of the Punjab-American varieties has increased from 35 in 1921-22 to 51 in 1938-39, thanks to scientific cultivation and a large increase in the yield per acre.

Cotton arrivals into Karachi have averaged annually 1,500,000 bales, most of which are for export. Ready business in Karachi approximates annually 800,000 to 1,000,000 bales.

Karachi has three Hedge contracts:-

Contract	Basis	Months of delivery
Superfine M.G. Sind (covering Sind Deshi cotton).	Superfine M.G. Sind	November, December, January, March, May, July.
Fine M.G. Punjab (covering Deshi cotton grown in the Punjab, U.P. and Rajputana).	Fine M.G. Punjab.	December, January, March, May, July.
Fine M.G. 4 F. (Covering staple varieties grown in Sind and the Punjab).	Fine M.G. 4 F. (Punjab), Staple not less than 3/4"	January, March, May, July

-----

### CORRIGENDUM

We regret an inadvertent error on page No. 10 of the COTTON STATISTICS & NEWS Issue No.37 dated 9th December 2014 wherein the production figures for 2014-15 totaling 402.00 lakh bales and 2013-14 totaling 407.25 lakh bales have been erroneously shown as 2013-14 and 2012-13 respectively.

# COTAAP Corner

## Clean cotton harvest initiative

Clean cotton harvest bags have been distributed to all the farmers along with literature regarding technique of harvesting and precautions to avoid contamination in cotton. Clean cotton harvest awareness village meetings were conducted at village level to further ensure the proper use of these bags and to motivate the farmers to collect the harvested cotton in the given bags. Coordination committee members and young farmers participated enthusiastically in the programme. Going by the feedback received, farmers are happy with the bags and are utilising them to handle, store and transport cotton safely.



## Incentive for clean cotton

As an important component of the PPP project, Arvind Ltd. has provided special funds to be distributed to farmers as an incentive for supplying clean cotton. This activity is in progress. Farmers are slowly becoming aware that avoiding contamination of cotton can fetch them premium prices in the market.

## Multimedia shows in villages

As the rabi season has started and all the farmers are engaged in preparing their land for it, many of them requested guidance from COTAAP.



As we already have a collection of multimedia CDs containing agricultural information, the unit conducted two multimedia shows in consecutive weeks from November 24 to December 6, 2014, covering 12 villages in the tehsil. In great demand from all the villages, was the previously recorded lecture of Dr. Vane (rotation crop expert), which has already helped farmers to adopt new method of gram cultivation that resulted in a bumper increment in yield.

## Dr. Nikam receives Progressive Farmer Award



One of COTAAP's coordination committee members, Dr. Ravindra Nikam received the Progressive Farmer Award at state level agricultural exhibition held at Jalgaon. He was conferred the award on November 27, 2014, by Shri Haribhau Jawale, MLA, for his successful experiments in agriculture. Dr Nikam has opted for HDPS plantation on his farm under the COTAAP scheme and is expected to achieve more than 15 qtl per acre this year in spite of the adverse climate.

## COTAAP committee members at COTTON INDIA 2014

Shri. Dhiren N. Sheth, President, CAI, focused on activities of COTAAP in his inaugural speech, during Cotton India 2014, held in Mumbai. He specially mentioning initiatives like Public Private Partnership (PPP), High Density Plantation System (HDPS), Soil & Nutrition Management Program, COTAAP Online, Facility Centre, extension activities, etc. Shri Kishorilalji Jhunjhunwala, Chairman, COTAAP and Shri Pradeepbhai Gujarathi, Trustee, COTAAP, networked with experts from around the world and discussed the present activities and future plans of COTAAP.

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) 2014-15 Crop DECEMBER 2014					
Sr. No.	Growth	Grade Standard	Grade	Staple	Micronaire	Strength /GPT	8th	9th	10th	11th	12th	13th
1	P/H/R	ICS-101	Fine	Below 22mm	5.0-7.0	15	9195 (32700)	9195 (32700)	9055 (32200)	8942 (31800)	8998 (32000)	8942 (31800)
2	P/H/R	ICS-201	Fine	Below 22mm	5.0-7.0	15	9336 (33200)	9336 (33200)	9195 (32700)	9083 (32300)	9139 (32500)	9083 (32300)
3	GUJ	ICS-102	Fine	22mm	4.0-6.0	20	7311 (26000)	7311 (26000)	7311 (26000)	7311 (26000)	7311 (26000)	7311 (26000)
4	KAR	ICS-103	Fine	23mm	4.0-5.5	21	7536 (26800)	7536 (26800)	7536 (26800)	7536 (26800)	7536 (26800)	7536 (26800)
5	M/M	ICS-104	Fine	24mm	4.0-5.0	23	8717 (31000)	8717 (31000)	8717 (31000)	8717 (31000)	8717 (31000)	8717 (31000)
6	P/H/R	ICS-202	Fine	26mm	3.5-4.9	26	8745 (31100)	8745 (31100)	8745 (31100)	8717 (31000)	8745 (31100)	8773 (31200)
7	M/M/A	ICS-105	Fine	26mm	3.0-3.4	25	7930 (28200)	7930 (28200)	7930 (28200)	7930 (28200)	7930 (28200)	7930 (28200)
8	M/M/A	ICS-105	Fine	26mm	3.5-4.9	25	8155 (29000)	8155 (29000)	8155 (29000)	8155 (29000)	8155 (29000)	8155 (29000)
9	P/H/R	ICS-105	Fine	27mm	3.5-4.9	26	8858 (31500)	8858 (31500)	8858 (31500)	8830 (31400)	8830 (31400)	8858 (31500)
10	M/M/A	ICS-105	Fine	27mm	3.0-3.4	26	8070 (28700)	8070 (28700)	8070 (28700)	8070 (28700)	8070 (28700)	8070 (28700)
11	M/M/A	ICS-105	Fine	27mm	3.5-4.9	26	8577 (30500)	8577 (30500)	8577 (30500)	8577 (30500)	8577 (30500)	8577 (30500)
12	P/H/R	ICS-105	Fine	28mm	3.5-4.9	27	9026 (32100)	9026 (32100)	9026 (32100)	8998 (32000)	9026 (32100)	9055 (32200)
13	M/M/A	ICS-105	Fine	28mm	3.5-4.9	27	9139 (32500)	9139 (32500)	9195 (32700)	9195 (32700)	9195 (32700)	9195 (32700)
14	GUJ	ICS-105	Fine	28mm	3.5-4.9	27	9111 (32400)	9111 (32400)	9167 (32600)	9167 (32600)	9167 (32600)	9167 (32600)
15	M/M/A/K	ICS-105	Fine	29mm	3.5-4.9	28	9392 (33400)	9392 (33400)	9392 (33400)	9392 (33400)	9392 (33400)	9392 (33400)
16	GUJ	ICS-105	Fine	29mm	3.5-4.9	28	9308 (33100)	9308 (33100)	9336 (33200)	9336 (33200)	9336 (33200)	9336 (33200)
17	M/M/A/K	ICS-105	Fine	30mm	3.5-4.9	29	9448 (33600)	9448 (33600)	9448 (33600)	9448 (33600)	9448 (33600)	9448 (33600)
18	M/M/A/K/T/O	ICS-105	Fine	31mm	3.5-4.9	30	9617 (34200)	9617 (34200)	9617 (34200)	9617 (34200)	9617 (34200)	9617 (34200)
19	A/K/T/O	ICS-106	Fine	32mm	3.5-4.9	31	9870 (35100)	9870 (35100)	9870 (35100)	9870 (35100)	9870 (35100)	9870 (35100)
20	M(P)/K/T	ICS-107	Fine	34mm	3.0-3.8	33	12345 (43900)	12345 (43900)	12345 (43900)	12345 (43900)	12373 (44000)	12373 (44000)

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