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**Cotton  
Association  
of India**

# **COTTON STATISTICS & NEWS**

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## Speech by CAI President Shri. Atul Ganatra at the Annual Gala Dinner on December 27, 2017

*Good evening my dear cotton friends  
and respected invitees,*

I warmly welcome each and every Association member, invited dignities, and all other guests present today. Today I am very glad that our Association could restart the Annual dinner after a long gap.

I personally feel hosting such a get-together gives the Association members a chance to meet each other in a social environment without any work stress.

After taking over the Presidentship, in the last three months my team of Directors and entire CAI staff have started working very hard on resolving issues of the cotton trade.

For example, last month we met the Chief Minister of Maharashtra and requested him to remove the market cess charged by various market committees in different rates from 0.5% to 1.10%.

The Chief Minister has assured us that he will do the needful in this matter. The Chief Minister has also informed us that the Maharashtra Government will shortly come out with a new favourable Textile Policy, which will benefit the trade.

For the last few months, all India ginners are facing problems with the new GST rule under RCM. To address this issue, we called an all India ginners associations meeting last month.

In that meeting, almost all the Presidents and Secretaries of cotton growing states were present.



Since we have more than 70 ginners as members of our Association, we are taking up their problems with the GST council and trying to solve these problems.

As a protest against RCM, under CAI leadership, All India Ginners Association went on a token strike for a day on 15th December 2017. This is the first time that our Association has actively started working for the ginners.

For the last one year, export of cotton to Pakistan was closed. To restart export to Pakistan, we have recently started corresponding with them and our efforts are showing results. We have news that due to our efforts, the Pakistan government has lifted the ban on Indian cotton.

Besides this, we are also taking all other necessary steps to increase the cotton exports from India.

Last month, I along with more than 10 directors met the CMD and other Directors of Cotton Corporation of India and requested them to utilise our 13 cotton laboratories located across India by giving business to us.

We also requested CCI to utilise our Arbitration facilities and put a Cotton Association of India Arbitration clause in all their domestic contracts. This will help us to increase the revenue of our Association through Laboratories and Arbitration proceedings.

Also for the first time in our Association, we have included one member from each of cotton growing state in our Crop Committee. We have also added some MNC members in our crop committee.

Also we have included Cotton Corporation of India in our Crop Committee. By doing this, we are able to give a very correct crop estimation which is a very close estimate of the realistic figure.

Regarding this year's crop, we are sticking to our earlier estimation of 375 lakh bales. The good news is that up to 25th December, the all India arrivals had crossed 135 lakh bales and by 31st December, arrivals will cross 147.50 lakh bales. At the same time last year, the arrivals were 108 lakh bales. These arrival figures we have collected from a few big ginners/brokers from each state.

Looking to this pace of arrival, our crop estimation of 375 lakh bales looks very much achievable. For example, for Telangana, we have taken 22 lakh bales arrival which we have confirmed through Shri. Ravinder Reddy, President of Telangana Cotton Association. For Gujarat we have taken arrival figures from Shri. Arun Dalal, Shri. Ajay Dalal and Shri. Sujay Dalal. Likewise, we have collected all figures for the arrivals.

Earlier we had estimated that export of cotton will be 63 lakh bales from India, but since Indian cotton rate has increased around 10% in the last 30 days, we have revised the export figures from 63 lakh bales to 55 lakh bales. (Last year's export was nearly 58 lakh bales.) Also we have revised import figures from 17 lakh bales to 20 lakh bales. (Last year's import was 30 lakh bales.) According to the earlier estimation, the carry forward stock will be 39 lakh bales as on 30/09/2018 but due to these revised export and import figures, the carry forward stock will be 50 lakh bales as on 30/09/2018 which is a very comfortable position for Indian spinning mills.

Also to boost the cotton business and solve the problems of the industry we are trying to organise two domestic conferences this year - the first one in Mumbai and the second in Aurangabad. The dates for these conferences will be announced shortly.

I assure all the members that we are on the right path and if such good work continues and if all the members support us, we will once again bring back the prestigious glory of CAI, which is the parent body of all the associations in India. This glory was at its peak when Shri. Babaseth Mirani and Shri. Sureshbhai Kotak were the Presidents of the Association.

We are also happy to join hands with all other state Associations for the benefit of our cotton trade.

I am extremely happy to see all the members from Mumbai and many upcountry members have attended this annual get together in large numbers, to make it so successful.

I thank each one of you for gracing this occasion with your presence.





## Glimpses of CAI's Annual Gala Dinner

CAI's Annual Gala Dinner for members was held on December 27, 2017, at the Turf Club, Mumbai. Around 200 members and guests including a large number of mill owners, MNCs, cotton exporters/traders/ginners/brokers attended the dinner.

CAI President, Shri. Atulbhai Ganatra's welcome address was followed by the felicitation of Shri. Sureshbhai Kotak, Ex-President of CAI and the Chief Guest for the evening. Shri. Kotak also addressed the gathering, sharing words of wisdom garnered through so many years in the cotton industry.









## Since 1921, we are dedicated to the cause of Indian cotton.

Just one of the reasons, you should use our Laboratory Testing Services.

The Cotton Association of India (CAI) is respected as the chief trade body in the hierarchy of the Indian cotton economy. Since its origin in 1921, CAI's contribution has been unparalleled in the development of cotton across India.

The CAI is setting benchmarks across a wide spectrum of services targeting the entire cotton value chain. These range from research and development at the grass root level to education, providing an arbitration mechanism, maintaining Indian cotton grade standards, issuing Certificates of Origin to collecting and disseminating statistics and information. Moreover, CAI is an autonomous organization portraying professionalism and reliability in cotton testing.

The CAI's network of independent cotton testing & research laboratories are strategically spread across major cotton centres in India and are equipped with:

- State-of-the-art technology & world-class Premier and MAG cotton testing machines
- HVI test mode with trash% tested gravimetrically

#### LABORATORY LOCATIONS

**Current locations :** • **Maharashtra :** Mumbai; Akola; Aurangabad • **Gujarat :** Rajkot; Mundra; Ahmedabad • **Andhra Pradesh :** Guntur, Warangal  
• **Madhya Pradesh :** Indore • **Karnataka :** Hubli • **Punjab :** Bathinda

**Upcoming locations :** • **Telangana:** Adilabad



**COTTON  
ASSOCIATION  
OF INDIA**

Established 1921

#### COTTON ASSOCIATION OF INDIA

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## CAI Maintains Cotton Crop for the 2017-18 Crop Year at 375 Lakh Bales

The Cotton Association of India (CAI) has released its December 2017 estimate of the cotton crop for the 2017-18 season beginning from 1st October 2017. The CAI has retained its December estimate of the cotton crop for the 2017-18 crop year at 375 lakh bales i.e. at the same level as in the previous estimate.

The projected Balance Sheet drawn by the CAI estimated total cotton supply for the season at 425 lakh bales of 170 kgs. each including the opening stock of 30 lakh bales at the beginning of the season and the imports which the CAI estimates at 20 lakh bales for 2017-18 crop year. The domestic consumption is estimated to be 320 lakh bales while CAI estimates exports for the season to be 55 lakh bales.

As per the data received from various sources, the CAI estimates cotton arrivals upto end December 2017 at 147.75 lakh bales as compared to 108 lakh bales arrived upto 31st December 2016. About 39% of the total crop estimated for the year has already arrived in the market. Looking to the pace of arrivals this year, CAI is of the view that the projected crop of 375 lakh bales for 2017-18 crop year is very much achievable.

A statement containing the state-wise estimate of the cotton crop and the balance sheet for the cotton season 2017-18 with the corresponding data for the 2016-17 crop year is given below:-

### CAI's Estimates of Cotton Crop as on 31st December 2017 for the Seasons 2017-18 and 2016-17

(in lakh bales)

State	Production *		Arrivals As on 31st December 2017 (2017-18)
	2017-18	2016-17	
Punjab	12.00	8.75	5.00
Haryana	23.00	20.50	13.00
Upper Rajasthan	10.00	7.25	6.00
Lower Rajasthan	12.00	9.25	7.00
<b>Total North Zone</b>	<b>57.00</b>	<b>45.75</b>	<b>31.00</b>

Gujarat	105.00	89.00	34.00
Maharashtra	87.00	88.00	35.00
Madhya Pradesh	21.00	20.50	10.00
<b>Total Central Zone</b>	<b>213.00</b>	<b>197.50</b>	<b>79.00</b>
Telangana	53.00	48.00	22.00
Andhra Pradesh	22.00	18.50	6.00
Karnataka	20.00	17.00	6.00
Tamil Nadu	5.00	5.50	2.00
<b>Total South Zone</b>	<b>100.00</b>	<b>89.00</b>	<b>36.00</b>
Orissa	3.00	3.00	0.75
Others	2.00	2.00	1.00
<b>Total</b>	<b>375.00</b>	<b>337.25</b>	<b>147.75</b>

\* Including loose

The Balance Sheet drawn by the Association for 2017-18 and 2016-17 is reproduced below:-

(in lakh bales)

Details	2017-18	2016-17
Opening Stock	30.00	36.50
Production	375.00	337.25
Imports	20.00	27.00
<b>Total Supply</b>	<b>425.00</b>	<b>400.75</b>
Mill Consumption	275.00	265.00
Consumption by SSI Units	30.00	27.00
Non-Mill Use	15.00	15.75
<b>Total Domestic Demand</b>	<b>320.00</b>	<b>307.75</b>
<b>Available Surplus</b>	<b>105.00</b>	<b>93.00</b>
Exports	55.00	63.00
<b>Closing Stock</b>	<b>50.00</b>	<b>30.00</b>



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) 2017-18 Crop DECEMBER 2017					
Sr. No.	Growth	Grade Standard	Grade	Staple	Micronaire	Strength /GPT	25th	26th	27th	28th	29th	30th
1	P/H/R	ICS-101	Fine	Below 22mm	5.0-7.0	15		12035 (42800)	11979 (42600)	11754 (41800)	11642 (41400)	11642 (41400)
2	P/H/R	ICS-201	Fine	Below 22mm	5.0-7.0	15	H	12232 (43500)	12176 (43300)	11951 (42500)	11867 (42200)	11867 (42200)
3	GUJ	ICS-102	Fine	22mm	4.0-6.0	20		8886 (31600)	8886 (31600)	8886 (31600)	8858 (31500)	8858 (31500)
4	KAR	ICS-103	Fine	23mm	4.0-5.5	21		9673 (34400)	9673 (34400)	9673 (34400)	9645 (34300)	9645 (34300)
5	M/M	ICS-104	Fine	24mm	4.0-5.0	23	O	10517 (37400)	10517 (37400)	10517 (37400)	10489 (37300)	10489 (37300)
6	P/H/R	ICS-202	Fine	26mm	3.5-4.9	26		11332 (40300)	11276 (40100)	11304 (40200)	11248 (40000)	11248 (40000)
7	M/M/A	ICS-105	Fine	26mm	3.0-3.4	25	L	9898 (35200)	9898 (35200)	9983 (35500)	9983 (35500)	9983 (35500)
8	M/M/A	ICS-105	Fine	26mm	3.5-4.9	25		10404 (37000)	10404 (37000)	10489 (37300)	10489 (37300)	10489 (37300)
9	P/H/R	ICS-105	Fine	27mm	3.5-4.9	26		11501 (40900)	11445 (40700)	11473 (40800)	11445 (40700)	11445 (40700)
10	M/M/A	ICS-105	Fine	27mm	3.0-3.4	26	I	10264 (36500)	10264 (36500)	10264 (36500)	10264 (36500)	10264 (36500)
11	M/M/A	ICS-105	Fine	27mm	3.5-4.9	26		10742 (38200)	10742 (38200)	10742 (38200)	10742 (38200)	10742 (38200)
12	P/H/R	ICS-105	Fine	28mm	3.5-4.9	27	D	11614 (41300)	11557 (41100)	11585 (41200)	11557 (41100)	11557 (41100)
13	M/M/A	ICS-105	Fine	28mm	3.5-4.9	27		11079 (39400)	11079 (39400)	11107 (39500)	11107 (39500)	11107 (39500)
14	GUJ	ICS-105	Fine	28mm	3.5-4.9	27		11248 (40000)	11248 (40000)	11276 (40100)	11248 (40000)	11248 (40000)
15	M/M/A/K	ICS-105	Fine	29mm	3.5-4.9	28	A	11360 (40400)	11360 (40400)	11389 (40500)	11360 (40400)	11360 (40400)
16	GUJ	ICS-105	Fine	29mm	3.5-4.9	28		11529 (41000)	11529 (41000)	11585 (41200)	11557 (41100)	11557 (41100)
17	M/M/A/K	ICS-105	Fine	30mm	3.5-4.9	29	Y	11585 (41200)	11585 (41200)	11642 (41400)	11614 (41300)	11614 (41300)
18	M/M/A/K/T/O	ICS-105	Fine	31mm	3.5-4.9	30		11951 (42500)	11951 (42500)	11951 (42500)	11895 (42300)	11895 (42300)
19	A/K/T/O	ICS-106	Fine	32mm	3.5-4.9	31		12485 (44400)	12485 (44400)	12485 (44400)	12429 (44200)	12429 (44200)
20	M(P)/K/T	ICS-107	Fine	34mm	3.0-3.8	33		16085 (57200)	16085 (57200)	15944 (56700)	15888 (56500)	15888 (56500)

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