

Weekly
Publication of



**Cotton
Association
of India**

Cotton Exchange Building, 2nd Floor,
Cotton Green, Mumbai - 400 033
Phone: 3006 3400
Fax: 2370 0337
Email: cai@caionline.in
www.caionline.in

Regd.No.MH/MR/EAST/96/2009-11

Registered with the Registrar of Newspapers for India under R.No.18844/69

Published every Tuesday

Price: Rs.30 per copy

Cotton Statistics And News

2011-12 * No. 44 * 31/01/2012

Edited & Published by Amar Singh

CAB Pares its Previous Cotton Production Estimate To 345 Lakh Bales in 2011-12

The second meeting of the Cotton Advisory Board (CAB) during the season 2011-12 was held in Mumbai on January 24, 2012 under the Chairmanship of Shri A.B. Joshi, Textile Commissioner. The first meeting of the Board during the season was held on November 15, 2011. The January 24 meeting was well attended with representatives of all the segments of the cotton industry participating, leading to lively discussions.

After all the concerned segments placing their viewpoints on the crop size this year, the Board estimated the current year's production to be 345 lakh bales, eleven lakh bales lower than its previous estimate of 356 lakh bales. It is pertinent to mention here that there had already been reports about the crop being lower than the CAB estimate of 356 lakh bales, looking to the lower arrivals. According to the data gathered by the Cotton Corporation of India, market arrivals upto January 15 aggregated to 135.25 lakh bales as against 161.25 lakh bales during the corresponding period of 2010-11, a fall of 26 lakh bales or 16.1 per cent. According to the latest data gathered by the Association, arrivals upto January 15, amount to 148.25 lakh bales. The Association's own estimate of production was 348 lakh bales.

The state-wise details of the latest crop estimate by the CAB are given in the accompanying table.

As may be observed, while the estimated production in the North zone is higher compared to last year, the crop in both the Central and

State	Area (lakh ha)		Production (lakh bales)	
	2010-11	2011-12	2010-11	2011-12
Punjab	5.30	5.60	16.00	17.00
Haryana	4.92	6.05	14.00	17.00
Rajasthan	3.35	5.30	9.00	16.00
North Zone	13.57	16.95	39.00	50.00
Gujarat	26.33	30.23	103.00	114.00
Maharashtra	39.32	40.95	82.00	69.00
M.P.	6.50	7.06	17.00	17.00
Central Zone	72.15	78.24	202.00	200.00
A.P.	17.84	18.54	53.00	48.00
Karnataka	5.45	5.49	10.00	12.00
Tamil Nadu	1.22	1.21	5.00	5.00
South Zone	24.51	25.24	68.00	65.00
Orissa	0.74	1.02	2.00	2.00
Others	0.45	0.46	2.00	2.00
Loose	-	-	26.00*	26.00*
All-India	111.42	121.91	339.00	345.00

* As per the result of Survey of ATIRA

South zones is projected to be slightly lower. The estimated area in 2011-12 has been retained at 121.91 lakh hectares, about 10.5 lakh hectares higher than last year's 111.42 lakh hectares. In the case of production, CAB has trimmed its present estimate from its earlier one in the case of Haryana and Rajasthan in North zone. In the Central zone, production in all the three States has now been lowered from the last estimate, the maximum being as much as 16 lakh bales in the case of Maharashtra where adverse seasonal conditions at the critical period of crop growth

and development appear to have adversely affected the production. In the South zone, production estimate has now been reduced by seven lakh bales in Andhra Pradesh and by two lakh bales in Karnataka.

While the CAB has clipped its production estimate, estimates of both imports and exports have been raised. The imports are now placed one lakh bales higher at six lakh bales as against five lakh bales previously estimated. Estimate of exports has, however, been raised to 84 lakh bales from 80 lakh bales earlier estimated. In this context, it may be stated that there is said to be strong demand for Indian cotton from China which is building up its reserve cotton stock so as to moderate domestic prices without their flaring up. On the basis of the above, the CAB has drawn up Cotton Balance Sheet for 2010-11 and 2011-12 as given below:

	(in lakh bales)	
	2010-11	2011-12
Opening Stock	40.50	48.30
Production	339.00	345.00
Imports	5.00	6.00
Total Supply	384.50	395.30
Mill Consumption	220.70	216.00
Consumption by SSUs	24.70	24.00
Non-mill use	22.00	20.00
Exports	68.80	84.00
Total Offtake	336.20	344.00
Carryover Stock	48.30	55.30

With the estimated opening stock going up by eighty thousand bales compared to the earlier projection and the offtake going up by fourteen lakh bales owing to the revision in the estimate of mill and SSI consumption and exports, the estimated carryover stock in 2011-12 is seven lakh bales higher than the opening stock.

India to Invest Rs 1 Bn. in Advanced Bt Cotton Project

India's Ministry of Agriculture has given its nod for developing an advanced version of Bt cotton that will be resistant to multiple pests and diseases.

The Rs. 1 billion project aims to not only provide the cotton crop with viral immunity, but also create genes that are resistant to jassids – a leaf hopping pest. A portion of the fund would also be utilised to develop farm tools including cotton-picking machines.

Dr. Swapan Kumar Datta, Deputy Director General (Crop Science) at Indian Council of Agricultural Research (ICAR) has said that there is a proposal for working on the latest technology of Bt cotton and combining it with the other genes of traits that are required for cotton improvement, in partnership with the private sector, agricultural research universities and ICAR. Elaborating further, he stated that it will be a national programme and this project will address all issues of advancements of biotechnology in organic cotton as well as indigenous cotton varieties. Many of our varieties that do not have Bt technology are not in demand owing to preference for Bt cotton that provides protection against several pests and diseases. As a result, many of our indigenous varieties are not being used by the farmers.

Explaining the rationale for the new project, Dr. Datta said that there is huge demand from Europe for organic cotton and they love to receive organic cotton from India. This issue needs to be addressed so that we can have an integrated approach for research in cotton and the value added product will

always fetch higher price. Eventually, this will benefit farmers as they will get higher prices for their superior quality cotton.

Another aspect that we would like to focus on through this project is on a concept of using a different architecture of the cotton crop which will be something like flowering and ball formation. Today hand-picking of balls is very difficult and it has costs and is time consuming. By developing a different kind of harvest, it will be suitable for the particular architecture of the crop. This new architecture will have advanced Bt technology. So when you combine all of these things together, the cotton obtained will be fulfilling all requirements of all cotton users, he added.

Apprising on the cost involved for the project, Dr. Datta revealed that the Ministry of Agriculture, ICAR and various agricultural universities in India will work on the project with a capital outlay of Rs. 1 billion. Some work has already started and the project will go on for about three years.

Commenting on the likely benefits of the advanced Bt cotton technology, he opined that it will be tremendously beneficial to India's economy because cotton itself is an industry of Rs. 300-400 billion. If we have a multipurpose cotton crop coming up, everyone will be looking for the Indian market and Indian cotton as an important product, thus giving a tremendous boost to Indian agriculture.

(Source: Fibre2fashion News Desk -09.01.2012)

Interactive Meeting with the Director General of Foreign Trade

The Director General of Foreign Trade, Dr. Anup K. Pujari, IAS and the Additional Director General of Foreign Trade, Dr. Kavita Gupta, IAS visited the CAI on 24th January 2012 and held interactive meeting with the members of the Association. They were given a warm welcome by the CAI team led by the President, Shri Dhiren N. Sheth.

They were also taken around the Cotton Exchange Building and apprised of the infrastructure and facilities available at the Association.

Shri Sheth made powerpoint presentation to apprise the Director General of Foreign Trade and Additional Director General of Foreign Trade about the role and activities of CAI and its cotton promotion plans.



Dr. Anup K. Pujari and Dr. Kavita Gupta with the CAI team in front of the statue of Sir Purushottamdas Thakurdas



Shri Sheth making presentation on the role and activities of CAI



Shri Sheth apprising the guests about the maintenance of Grade Standard Boxes of CAI



Members interacting with the Guests



Shri Sheth briefing the guests about the functioning of the Laboratory

Cotton Consumption by Organized Sector Textile Mills (Non-SSI Mills) and Small Scale Spinning Mills (SSI) Units (In lakh bales of 170 kgs each)

Year	Avg. consumption			
	Non-SSI mills		SSI mills	
	Cotton consumption	Monthly consumption	Cotton consumption	Monthly consumption
2000-01	149.36	12.45	10.97	0.91
2001-02	147.00	12.25	11.70	0.98
2002-03	142.42	11.87	11.63	0.97
2003-04	150.39	12.53	12.99	1.08
2004-05	163.98	13.67	16.57	1.58
2005-06	180.00	15.00	20.00	1.67
2006-07	194.89	16.24	15.88	1.32
2007-08	195.67	16.31	19.13	1.59
2008-09	190.00	15.83	19.00	1.58
2009-10	207.00	17.25	20.00	1.67
2010-11(E)	246.00	20.50	20.00	1.67

E: Estimated

Source: Office of the Textile Commissioner, Mumbai.

SNIPPETS

Ugandan cotton farmers and ginnerers are voicing their opinions after the government announced its proposed measures to stabilize cotton prices.

The government has been taking a percentage of cotton sales and filtering it into a fund geared toward stabilizing fluctuating prices. The fund, which was first put into place two years ago, is supposed to pay back farmers and ginnerers if there is a significant price drop.

However, government measures have not been able to relieve cotton growers and ginnerers from price fluctuations. The cotton industry is alleging that funds are already being misappropriated for other uses.

The government has proposed another fund for cotton price stabilization to aid the Ugandan cotton industry, but growers and ginnerers are skeptical of how the money will be used.

(Source: Cotton International - 12.01.2012)



Cotton International 2012 Global Summit is being organised from 25-27 April 2012 in Bangkok, Thailand bringing together the leading mills, merchants and industry partners from key markets around the world to connect, engage and transact business.



UPCOUNTRY SPOT RATES

(Rs./Qtl)

Official quotations for standard descriptions with basic grade and staple in Millimetres based on Upper Half mean Length under By-law 66 (A)(a)(4)

SPOT RATES (UPCOUNTRY) 2010-11 CROP
January 2012

Sr. No.	Grade Standard	Staple	Micronaire	Strength/GPT	Trade Name	21 st	23 rd	24 th	25 th	26 th	27 th
03.	ICS-102	22mm	4.5-5.9	19	V-797	6889 (24500)	6889 (24500)	6889 (24500)	6889 (24500)	H	6749 (24000)
04.	ICS-103	23mm	4.0-5.5	19	Jayadhar	N.A.	N.A.	N.A.	N.A.		N.A.
07.	ICS-105	25mm	3.5-4.9	22	NHH-44	N.A.	N.A.	N.A.	N.A.		N.A.
08.	ICS-105	27mm	3.5-4.9	24	LRA-5166	N.A.	N.A.	N.A.	N.A.	O	N.A.
2011-12 CROP											
01.	ICS-101	Below 22mm	5.0-7.0	15	Bengal Desi (RG)	10292 (36600)	10348 (36800)	10404 (37000)	10348 (36800)	L	10123 (36000)
02.	ICS-201	Below 22mm	5.0-7.0	15	Bengal Desi (SG)	10573 (37600)	10629 (37800)	10686 (38000)	10629 (37800)		10404 (37000)
05.*	ICS-104	24mm	4.0-5.5	20	Y-1	9139 (32500)	9139 (32500)	9139 (32500)	9139 (32500)	I	8998 (32000)
06.	ICS-202	25mm	3.5-4.9	23	J-34	9673 (34400)	9673 (34400)	9701 (34500)	9673 (34400)	D	9448 (33600)
09.	ICS-105	28mm	3.5-4.9	25	H-4/ MECH-1	9926 (35300)	9983 (35500)	10067 (35800)	10011 (35600)		9842 (35000)
10.	ICS-105	29mm	3.5-4.9	26	Shankar-6	10264 (36500)	10348 (36800)	10432 (37100)	10404 (37000)	A	10208 (36300)
11.	ICS-105	31mm	3.5-4.9	27	Bunny/ Brahma	10264 (36500)	10264 (36500)	10348 (36800)	10348 (36800)	Y	10208 (36300)
12.	ICS-106	33mm	3.3-4.5	28	MCU-5/ Surabhi	10798 (38400)	10798 (38400)	10798 (38400)	10798 (38400)		10714 (38100)
13.	ICS-107	35mm	2.8-3.6	31	DCH-32	13498 (48000)	13498 (48000)	13582 (48300)	13638 (48500)		13638 (48500)

Note: Figures in bracket indicate prices in Rs./candy * - Nominal