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New Strategy for Promoting Farm Mechanisation during 12th Five Year Plan - Ministry of Agriculture

Ministry of Agriculture is promoting a new strategy for farm mechanization through its various schemes and programmes. A dedicated Sub-Mission on Agricultural Mechanization has been proposed for the XIIth Plan which includes custom-hiring facilities for agricultural machinery as one of its major components. The Sub-Mission aims at catalyzing an accelerated but inclusive growth of agricultural mechanization in India. Its focus is on increasing the reach of farm mechanization to small and marginal farmers and to the regions where availability of farm power is low.

Custom hiring of farm machinery envisages promoting establishment of farm machinery banks for custom hiring by way of providing financial assistance to individual self-help groups or farmers' co-operatives since the prohibitive cost of hi-tech and high productive equipments renders it difficult for individual ownership.

The other major components included in the Sub-Mission, apart from custom hiring facilities for agricultural machinery are promotion and strengthening of agricultural mechanisation through training, testing and demonstration; post-harvest technology and management (PHTM); financial assistance or procurement subsidy for agriculture machinery and equipments; establishment of farm machinery banks for custom hiring; enhancing hi-tech, high productive equipment hub for custom hiring; enhancing farm productivity at village level by introducing appropriate farm mechanisation in selected villages; and creating ownership of appropriate farm equipments among small/marginal farmers in eastern/north eastern region.

(Source: PIB Press release)

India, Bangladesh to Sign Pact on Cotton Shipments

India and Bangladesh may shortly seal an agreement on cotton that will ensure supply of a fixed minimum quantity from New Delhi to its neighbour every year irrespective of any export ban.

Bangladesh wants India to commit to 15 lakh bales (170 kg each) of cotton every year, but the final amount is still being negotiated, Bangladesh Commerce Minister informed. The deal, which will be at a business-to-business level, is being worked out by the Commerce and Textile Ministries of the two countries.

For India, the Cotton Corporation of India will sign the final agreement, an Indian Commerce Department official said.

The price, which will be flexible, is likely to be marked slightly higher than the existing global prices as a premium for the guaranteed supply, the Indian official added. The premium amount is also being finalised.

Within the next few months the deal will be through. It

will protect textile manufacturers in the country from uncertainties that India's frequent ban on cotton exports creates, stated a Bangladeshi Government official.

The supply agreement will ensure that even if India imposes a ban on cotton exports at some point of time during the year, it will be obligated to sell at least the committed quantity.

For instance, if it takes a commitment for 15 lakh bales and has supplied 10 lakh bales at the time a ban on cotton exports is imposed, it will have to sell the balance 5 lakh bales to the country during the year, the Bangladeshi official explained.

India had imposed a ban on cotton exports last March and had stopped exports of even cotton that had been contracted for. This had led to protests from not just cotton exporters but also cotton buying countries including Pakistan and Bangladesh. The Government later relaxed the ban and started fresh registration for exports.

(Source: Business Line - 31.01.2013)

Global Cotton Conference to be Held on 23-24 February in Mumbai

The Global Cotton Conference is being held at Hyatt Regency, Mumbai on 23-24 February, 2013.

Given the prominence of Indian cotton in global market, an international platform is much needed to demonstrate our capabilities, engage with buyers from India and abroad, discuss and deliberate on emerging challenges and opportunities. Global Cotton Conference 2013 is a small beginning towards this.

India is the second largest producer (35.2 million bales of 170 kg each) and the largest exporter of cotton (13.5 million bales of 170 kg each) in the world in 2011-12.

Cotton is actively grown in nine states and across three zones (Northern, Southern and Western India). The size of Indian cotton industry is estimated at Rs. 150,000 cr (US\$ 30 billion).

Together with the textile industry, cotton value chain is the largest employer earning substantial foreign exchange for the country. Lastly, cotton production has changed dramatically since 2002-03 with more than 80% of acreage under cotton shifting to Bt Cotton.

Global Cotton Conference is also supported by:

- Punjab Cotton Factories & Ginner's Association
- Ahmedabad Textile Mills' Association
- Northern India Textile Mills' Association
- Indian Spinners' Association
- Textile Machinery Manufacturers' Association (TMMA)
- Indian Textile Accessories & Machinery - Manufacturers' Association (ITAMMA)

For further details, please access website www.cottonconference.in

CONSUMPTION OF COTTON BY TEXTILE MILLS (COTTON YEAR – WISE) – Non SSI (lakh bales)

| Months | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 (P) | 2011-12 (P) | 2012-13 (P) |
|--------------------------------------|---------|---------|---------|---------|---------|---------|----------------|----------------|----------------|
| NON SSI | | | | | | | | | |
| October | 12.97 | 13.97 | 15.74 | 16.40 | 14.93 | 16.44 | 19.88 | 16.10 | 19.80 |
| November | 12.49 | 13.60 | 16.15 | 15.20 | 15.26 | 16.71 | 19.04 | 16.64 | 19.28 |
| December | 13.83 | 14.75 | 16.74 | 16.91 | 16.23 | 17.66 | 20.30 | 18.23 | |
| January | 13.16 | 14.84 | 16.52 | 16.69 | 15.43 | 17.71 | 20.01 | 18.46 | |
| February | 12.77 | 13.80 | 15.41 | 16.33 | 14.66 | 16.96 | 18.22 | 18.35 | |
| March | 13.75 | 15.49 | 16.56 | 16.59 | 15.74 | 18.08 | 19.48 | 18.57 | |
| April | 13.60 | 14.87 | 16.29 | 16.18 | 15.45 | 18.68 | 18.17 | 18.59 | |
| May | 14.05 | 15.30 | 16.08 | 17.05 | 16.12 | 19.03 | 16.73 | 19.48 | |
| June | 13.89 | 15.17 | 16.07 | 16.66 | 16.27 | 18.81 | 16.31 | 19.33 | |
| July | 14.04 | 15.78 | 16.52 | 16.63 | 17.26 | 20.07 | 17.09 | 20.14 | |
| August | 15.73 | 16.30 | 16.70 | 15.88 | 16.91 | 19.72 | 16.74 | 20.01 | |
| September | 13.70 | 16.23 | 16.13 | 15.15 | 16.68 | 19.30 | 19.80 | 19.32 | |
| TOTAL (Oct-Sep) | 163.98 | 180.10 | 194.91 | 195.67 | 190.94 | 219.16 | 221.77 | 223.23 | 39.08 |
| SSIUnits Non-Mill consumption* | 16.57 | 18.85 | 21.27 | 22.08 | 20.22 | 22.72 | 24.46 | 21.09 | 20.00 |
| Total Consumption Cotton | 14.48 | 20.00 | 15.88 | 19.13 | 19.00 | 20.00 | 13.38 | 10.00 | 20.00 |
| Production* | 195.03 | 218.95 | 232.03 | 236.88 | 230.15 | 257.76 | 259.61 | 254.32 | |
| | 243.00 | 241.00 | 280.00 | 307.00 | 290.00 | 305.00 | 339.00 | 355.00 | 334.00 |

Note : * - As per CAB meeting P = Provisional .

Source: Office of the Textile Commissioner, Mumbai.

Pakistan Govt Mulls Goal-oriented Five-Year Cotton Policy

The Government of Pakistan is considering incorporating ambitious targets in its five-year cotton policy 2013-17, the draft of which is yet been finalized.

The policy would aim to boost Pakistan's cotton production to 22 million bales, consumption to 19 million bales and exports to 3 million bales by 2017, quoting a government official.

Currently, Pakistan's annual cotton production stands at about 13 million bales, consumption at 14 million bales and exports at 1 million bales.

To increase production, the new cotton policy will strive to increase the area under cotton cultivation from the current 3.2 million hectares to 4.2 million hectares over the five-year period.

Pakistan is the fourth biggest cotton producer – next only to China, the US and India – but stands second in terms of contamination in cotton, the government official stated.

The new policy will specifically aim at addressing the issue of cotton contamination by offering a premium to those farmers who produce clean cotton. The Government may set up a cotton investment fund for the purpose.

The policy will also relook the insurance scheme to cover crops of those farmers who avail loans from commercial institutions, the official said.

Further, there is also a proposal to set up a cotton ginning research and training institute.

However, the Government would seek opinion and suggestions from various stakeholders and provincial governments before finalizing the draft policy, which would then be placed before the Council of Common Interests (CCI) for its approval, according to the official.

(Source: Fibre2Fashion - 5.2.2013)

CSO Revises GDP Growth Down to 6.2%

India's economic growth estimate for 2011-12 has been revised downward to 6.2 per cent from 6.5 per cent earlier.

This is reflected in the first revised estimate for 2011-12 (earlier called quick estimates) released by the Central Statistics Office (CSO).

The revised GDP growth estimate of 6.2 per cent is the lowest in nine years after the 2002-03 nadir of 4 per cent. BNBBThe CSO had in February last year estimated GDP growth for 2011-12 at 6.9 per cent, but revised it later to 6.5 per cent in May.

The downward revision of GDP estimate for 2011-12 could be attributed to the scaling down of services growth from 8.9 per cent to 8.2 per cent earlier.

CSO has, however, raised agriculture and industry growth estimate to 3.6 per cent and 3.5 per cent, respectively. Agriculture was earlier estimated to have grown by 2.8 per cent and industry by 3.4 per cent.

Savings rate

The CSO has also pegged the 2011-12 gross domestic savings at 30.8 per cent of GDP as compared to 34 per cent a year ago.

Along with the first revised estimate for 2011-12, the CSO also came up with the second revised estimate for 2010-11 and third revised estimate for 2009-10.

Upward revision

GDP growth estimate for 2010-11 has been revised upwards to 9.3 per cent from 8.4 per cent, and for 2009-10 to 8.6 per cent from 8.4 per cent earlier.

The CSO will release its first estimate on GDP growth for 2012-13 on February 7.

The Reserve Bank of India had cut GDP growth estimate for 2012-13 to 5.5 per cent from 5.8 per cent earlier.

(Source: Business Line - 31.01.2013)

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
January - February 2013

| Sr. No. | Growth Standard | Grade /GPT | Grade | Staple | Micronaire | Strength | 28th | 29th | 30th | 31st | 1st | 2nd |
|---------|-----------------|------------|-------|------------|------------|----------|------------------|------------------|------------------|------------------|------------------|------------------|
| 1 | P/H/R | ICS-101 | Fine | Below 22mm | 5.0 – 7.0 | 15 | 9336 (33200) | 9336 (33200) | 9476 (33700) | 9476 (33700) | 9476 (33700) | 9476 (33700) |
| 2 | P/H/R | ICS-201 | Fine | Below 22mm | 5.0 – 7.0 | 15 | 9476 (33700) | 9476 (33700) | 9617 (34200) | 9617 (34200) | 9617 (34200) | 9617 (34200) |
| 3 | GUJ | ICS-102 | Fine | 22mm | 4.0 – 6.0 | 20 | 7508 (26700) | 7508 (26700) | 7508 (26700) | 7508 (26700) | 7452 (26500) | 7396 (26300) |
| 4 | KAR | ICS-103 | Fine | 23mm | 4.0 – 5.5 | 21 | 8267 (29400) | 8267 (29400) | N.Q. | N.Q. | N.Q. | N.Q. |
| 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 | 9308 (33100) | 9392 (33400) | 9505 (33800) | 9448 (33600) | 9448 (33600) | 9476 (33700) |
| 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 | 9336 (33200) | 9448 (33600) | 9533 (33900) | 9505 (33800) | 9505 (33800) | 9561 (34000) |
| 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 | 9420 (33500) | 9533 (33900) | 9645 (34300) | 9589 (34100) | 9589 (34100) | 9617 (34200) |
| 13 | M/M/A | ICS-105 | Fine | 28mm | 3.5 – 4.9 | 27 | 9336 (33200) | 9392 (33400) | 9476 (33700) | 9420 (33500) | 9392 (33400) | 9392 (33400) |
| 14 | GUJ | ICS-105 | Fine | 28mm | 3.5 – 4.9 | 27 | 9420 (33500) | 9448 (33600) | 9533 (33900) | 9476 (33700) | 9476 (33700) | 9476 (33700) |
| 15 | M/M/A/K | ICS-105 | Fine | 29mm | 3.5 – 4.9 | 28 | 9448 (33600) | 9505 (33800) | 9589 (34100) | 9533 (33900) | 9505 (33800) | 9505 (33800) |
| 16 | GUJ | ICS-105 | Fine | 29mm | 3.5 – 4.9 | 28 | 9533 (33900) | 9561 (34000) | 9645 (34300) | 9589 (34100) | 9589 (34100) | 9589 (34100) |
| 17 | M/M/A/K | ICS-105 | Fine | 30mm | 3.5 – 4.9 | 29 | 9533 (33900) | 9589 (34100) | 9673 (34400) | 9617 (34200) | 9589 (34100) | 9617 (34200) |
| 18 | M/M/A/K/T/O | ICS-105 | Fine | 31mm | 3.5 – 4.9 | 30 | 9673 (34400) | 9729 (34600) | 9814 (34900) | 9758 (34700) | 9729 (34600) | 9786 (34800) |
| 19 | K/A/T/O | ICS-106 | Fine | 32mm | 3.5 – 4.9 | 31 | 9926 (35300) | 9983 (35500) | 10067 (35800) | 10011 (35600) | 10011 (35600) | 10011 (35600) |
| 20 | M(P)/K/T | ICS-107 | Fine | 34mm | 3.0 - 3.8 | 33 | 12654 (45000) | 12654 (45000) | 12654 (45000) | 12654 (45000) | 12654 (45000) | 12795 (45500) |

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