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Cotton Statistics And News

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Edited & Published by Amar Singh

Cotton Continues to Rule as "King"

(Continued from last Issue.....)

The Indian Textile Industry is unique in that it has a decentralised sector consisting of powerlooms and handlooms dispersed in several States. Besides these, there are independent units for bleaching and dyeing. Together, the organised and decentralised sectors provide direct and indirect employment to several million people, next to that in agriculture. India also exports sizable quantities of textiles earning precious foreign exchange for the country. According to published data, exports of cotton yarn, fabrics, made-ups and cotton garments with accessories during April-October 2012 fetched a tidy sum of Rs.43,261 crore in foreign exchange. The total textile exports during the above period were worth Rs.67,960 crore in foreign exchange.

It is pertinent to mention here that the primitive spinning wheel, charkha, and cotton yarn spun using it, which is then converted into coarse fabric known as khadi, became the symbol of the movement for India's Independence from the British rule.

In its first Avatar, cotton was a perennial tree. It is widely believed that the first cultivation of cotton in India was during the pre-Harappan period. The earliest authoritative reference to cotton is reportedly made by the Greek philosopher, Herodotus, known as the father of history. Interestingly, he is quoted to have written about Indian cotton in the 5th century B.C. describing cotton plants as "Trees that bore wool, surpassing the wool of sheep in beauty and quality. Indians wore clothing made from these trees".

According to historians, there is evidence of cotton cloth at Mohenja-Daro and Harappa. It is stated that cotton may have been cultivated in Baluchistan by the 5th millennium for its rich oilseeds. In the Harappan period, cotton is claimed to have been grown in both Indus Valley and Baluchistan. Spindle whorls found in many houses are said to underline the domestic nature of spinning, while loom weights are said to suggest that some households might have used upright looms to weave cloth. Significantly, passages of Rig Veda are said to suggest that weaving was well known, and deft female fingers wove warp and weft in the ancient times, as in modern times.

Indian cotton and products manufactured out of it have travelled across the world. The products of India, it is stated, can be traced to Greece during Homer's time and to Jerusalem during King Solomon's rule.

In order to enable "cotton trees" to be suitable for cultivation with other field crops, scientists focused on reducing the period of their growth. They met with success in this attempt and initially developed cottons of about seven to eight months in duration.

The next attempt was to further reduce the crop duration so that (1) they allow double cropping in a season with other crops in rotation, (2) the cost of production could be brought down and (3) the period of exposure to infestation by pests and diseases could be minimised so that there is least diminution in yield. Further on, breeders turned to the evolution of still shorter duration varieties

which could be grown in specific situations like growing cotton in the rice fallows in between two crops of paddy. In this effort also, breeders met with success and could evolve varieties of just about 4½ months in duration.

Even after such reduction, it was observed that the loss in potential yield was still high as plants succumbed to a variety of pests and diseases. The attention was, therefore, turned to the evolution of varieties which were resistant to pests and diseases. Meantime, the chemical industry made remarkable progress after the Second World War. Thus, new more toxic plant protection chemicals came to be available for use. Even so, total control of pests and diseases was found very difficult, if not impossible. Further, the use of modern pesticides proved costly, inflating the total cost of production and diminishing farmers' net returns per hectare. Other methods of control had, therefore, to be explored.

Throughout the world, cotton is a highly pest-

prone crop. In India, it is all the more susceptible because of the pest-friendly hot and humid climate during the cotton growing season, and also because cotton is grown throughout the year in one tract or the other. Although there are a large number of pests infesting cotton, those causing serious damage are 20. Of these, eight are of real significance, and among them the most pernicious are bollworms as they directly infest buds and bolls and lead to heavy yield loss. Instead of applying only costly chemicals, entomologists developed an efficient and less expensive method known as "integrated pest management" (IPM) in which both chemical and cultural practices are employed.

Even if IPM technology is adopted, it raises the production cost to some extent. Breeders, therefore, turned to the development of pest resistant varieties. They met with some success but not fully, since varieties resistant to all pests could not be developed.

(To be continued.....)

China's Retreat from Textiles Helps India, Bangladesh

China, a major textile producer for about two decades, is now focusing on other sectors. It is expected this would change the fortunes of other textile producers such as India and Bangladesh.

The Chinese government has told mills in that country that if they import cotton, they would have to buy twice that amount from the state agency. The government has also increased yarn import and is concentrating on manufacturing high-value items.

As a result, India, Bangladesh and Vietnam are receiving more orders. China is slowly trying to move out of textiles and these orders are now coming to India. China may exit the textiles space in the next 15 years.

While India has managed to secure most yarn export contracts, Bangladesh accounts for most of the apparel and garments market. India has managed to capture the home textile market, as well as the cotton yarn spinning market. This could raise 2012-13 cotton yarn exports to an all-time high of 1,000 million kg. This is primarily because to reduce its spinning capacities, China has cut cotton import substantially.

India, earlier the second-largest apparel exporter, has lost its market to Bangladesh, which has managed to capture a large pie of the US and the Euro zone markets. The cost of production in that country is about 20 per cent lower than in India, owing to cheap labour. Currently, India is the third-largest apparel exporter, after China and Bangladesh. In 2011, India's apparel exports stood at \$13.4 billion, while Bangladesh's was \$19 billion, according to World Trade Organisation data. According to the Apparel Export Promotion Council, India exported apparel worth \$13.5 billion in 2011-12.

Turkey has also emerged as another major apparel exporter. Importing from Turkey suits European buyers, as this reduces the time of delivery, compared to buying from Asian countries. Data compiled by the ministry of commerce showed India's textile exports declined 8.2 per cent to \$18,679 million in April-November last year, compared with \$20,346 million in the corresponding period of the previous year. In 2011, exports of cotton yarn, fabrics and home textiles stood at \$15 billion.

(Source: Business Standard - 26.02.2013)

Seed Exports May Touch Rs 1,000 Crore Mark in Next 2-3 Years: NSAI

Export of agri-seeds from the country may more than double to Rs 1,000 crore in the next 2-3 years as 38 varieties from India have been registered in the OECD list, industry body NSAI said.

The listing of Indian seeds with the Organisation for Economic Co-operation and Development (OECD), a group of 34 countries, guarantees the quality of seeds that can be imported by countries participating in the OECD Seed Schemes. About 57 nations are registered in such seed schemes.

Seed export is expected to rise to Rs 1,000 crore in the next 2-3 years as for the first time 38 Indian private seed varieties have been registered in the OECD list," National Seed Association Executive Director informed. Currently, India exports Rs 400-450 crore worth of seeds. The shipment of agri-seeds is likely to increase as non-member countries of OECD also go by this list, it is stated.

The registration of 38 varieties takes the total number of Indian seeds in the OECD list to 95. The recently registered varieties are hybrid and mostly cotton, millets, maize and vegetables. Another 118 Indian varieties are in the pipeline for registration with OECD in the coming months, it is added.

At present, the size of the domestic seed market is Rs 13,000 crore, while India's share in the world seed market is one per cent. However, the proposed National Seed Mission aims to increase the trade to 10 per cent of global trade by 2020.

(Source: Economic Times - 10.02.2013)

Promoting Organic Farming through NPOF, NHM and RKVY

The Government of India is promoting organic farming in various parts of the country including Bihar through various schemes like National Project on Organic Farming (NPOF), National Horticulture Mission (NHM) and Rashtriya Krishi Vikas Yojna (RKVY).

It is already supporting financial assistance under National Horticulture Mission (NHM) for setting up of vermi-compost units @ 50% of the cost subject to a maximum of Rs. 30,000/- per beneficiary. Funds are also provided @ 50% of the cost subject to maximum of Rs. 10,000/- per hectare for a maximum area of 4 hectare per beneficiary for adoption of organic farming.

Similar norms of assistance are applicable for assistance given under Rashtriya Krishi Vikas Yojna (RKVY). Under NPOF scheme, financial assistance is provided for setting up of organic inputs production units as credit linked back-ended subsidy to the tune of 33% restricted to Rs. 60.00 lakh for setting up of Fruit/Vegetable market Waste / Agro-waste compost units and 25% restricted to Rs 40.00 lakh for setting up of Bio-fertilisers production units / Bio-pesticides production units.

Beside this, a farmers' group centric low-cost certification system, "Participatory Guarantee System (PGS-India)" an alternative of 3rd party certification system has been launched during 2011-12 to increase the area under organic farming.

(Source: Ministry of Agriculture, GOI, PIB Release)

World Cotton Prices

Monthly average Cotlook A Index (FE) from 2006-07 onwards
(Cotlook Index in US Cents per lb.)

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
August	59.88	66.62	78.04	64.14	90.35	114.10	84.40
September	58.82	68.12	77.09	63.99	104.73	116.90	84.15
October	57.03	68.93	62.30	66.82	126.55	110.61	81.95
November	57.39	69.68	54.96	71.78	155.47	104.75	80.87
December	59.43	69.52	55.47	76.78	168.22	95.45	83.87
January	59.06	73.21	57.71	77.39	178.93	101.11	85.51
February	57.86	75.05	55.21	80.05	213.18	100.75	
March	58.42	80.18	51.50	85.80	229.67	99.50	
April	57.13	75.44	56.78	88.08	216.52	99.94	
May	55.57	74.12	61.95	90.07	165.52	88.53	
June	60.61	77.04	61.39	93.04	167.16	82.18	
July	67.84	77.29	64.80	--	--		

Source: CCI

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 February - March 2013					
Sr. No.	Growth Standard	Grade /GPT	Grade	Staple	Micronaire	Strength	25th	26th	27th	28th	1st	2nd
1	P/H/R	ICS-101	Fine	Below 22mm	5.0 – 7.0	15	9729 (34600)	9729 (34600)	9729 (34600)	9870 (35100)	10011 (35600)	10011 (35600)
2	P/H/R	ICS-201	Fine	Below 22mm	5.0 – 7.0	15	10011 (35600)	10011 (35600)	10011 (35600)	10151 (36100)	10292 (36600)	10292 (36600)
3	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	20	8014 (28500)	7874 (28000)	7874 (28000)	8014 (28500)	8155 (29000)	8155 (29000)
4	KAR	ICS-103	Fine	23mm	4.0 – 5.5	21	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.
5	M/M	ICS-104	Fine	24mm	4.0 – 5.5	23	9420 (33500)	9420 (33500)	9420 (33500)	9561 (34000)	9561 (34000)	9561 (34000)
6	P/H/R	ICS-202	Fine	26mm	3.5 – 4.9	26	10348 (36800)	10292 (36600)	10376 (36900)	10601 (37700)	10573 (37600)	10489 (37300)
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	10489 (37300)	10404 (37000)	10489 (37300)	10714 (38100)	10714 (38100)	10629 (37800)
10	M/M/A	ICS-105	Fine	27mm	3.0 – 3.4	26	N.Q.	9701 (34500)	9701 (34500)	9870 (35100)	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	10545 (37500)	10489 (37300)	10573 (37600)	10826 (38500)	10798 (38400)	10714 (38100)
13	M/M/A	ICS-105	Fine	28mm	3.5 – 4.9	27	10067 (35800)	10011 (35600)	10039 (35700)	10208 (36300)	10264 (36500)	10264 (36500)
14	GUJ	ICS-105	Fine	28mm	3.5 – 4.9	27	10208 (36300)	10123 (36000)	10179 (36200)	10320 (36700)	10432 (37100)	10376 (36900)
15	M/M/A/K	ICS-105	Fine	29mm	3.5 – 4.9	28	10208 (36300)	10151 (36100)	10179 (36200)	10348 (36800)	10404 (37000)	10348 (36800)
16	GUJ	ICS-105	Fine	29mm	3.5 – 4.9	28	10320 (36700)	10236 (36400)	10292 (36600)	10461 (37200)	10573 (37600)	10517 (37400)
17	M/M/A/K	ICS-105	Fine	30mm	3.5 – 4.9	29	10292 (36600)	10208 (36300)	10236 (36400)	10404 (37000)	10517 (37400)	10461 (37200)
18	M/M/A/K/T/O	ICS-105	Fine	31mm	3.5 – 4.9	30	10432 (37100)	10348 (36800)	10376 (36900)	10545 (37500)	10657 (37900)	10601 (37700)
19	K/A/T/O	ICS-106	Fine	32mm	3.5 – 4.9	31	10826 (38500)	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.
20	M(P)/K/T	ICS-107	Fine	34mm	3.0 - 3.8	33	13301 (47300)	13301 (47300)	13301 (47300)	13301 (47300)	13301 (47300)	13160 (46800)

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