

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:842

ANSWERED ON:29.07.2010

COTTON PRICE

Acharia Shri Basudeb;Karunakaran Shri P.

Will the Minister of TEXTILES be pleased to state:

- (a) whether Government is aware of the fact that the textile industry is facing serious crisis due to steep rise in the prices of cotton yarn;
- (b) if so, details and the reasons therefor;
- (c) whether it is a fact that the Indian made goods have become costlier in the foreign market due to the uncontrolled price of yarn affecting the livelihood of the lakhs of workers particularly at places such as Tirupur and Bangalore;
- (d) if so, the details thereof;
- (e) whether the exporters have sought any assistance from the Union Government to help them to overcome this crisis; and
- (f) if so, the details alongwith the action taken by the Government thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SMT. PANABAACA LAKSHMI)

(a) to (f): Yes Madam, Government has received representations from garments and knitwear associations on the steep increases in prices of cotton yarn, due to export of cotton yarn reducing the availability in domestic market. The monthly movement of prices of cotton yarn is enclosed Annexure-I. To address the important issue of steep increases in prices of cotton yarn and to restore domestic supply lines, Government has initiated several policy interventions including registration of yarn exports, withdrawal of DEPB incentive on yarn, withdrawal of Duty drawback on cotton yarn, expanding hank yarn obligation from 40s count to 80s count and strict monitoring of Hank Yarn Obligation

Annexure

MOVEMENT OF YARN PRICES (INCLUDING ALL TAXES)

Counts Jan-10 Feb-10 Mar-10 Apr-10 May-10 Jun-10

Hank

20sK	134	135	140	149	145	148
30sK	151	152	153	161	155	160
40sK	162	164	173	179	184	183
60sK	190	192	209	231	226	228
60sC	215	218	230	247	242	244
80sC	284	290	309	334	327	330
100sC	320	321	-	382	374	374

Cone

20s K	130	132	138	135	112	108
30sK	136	141	156	165	151	158
40sK	160	160	174	190	172	179

60sK 181 183 209 224 208 217
60sC 203 219 223 244 222 224
80sC 272 281 - 320 283 264

Hosiery

20s K 140 139 - 142 144 151
30sK 143 143 146 158 155 170
40sK 153 152 161 174 173 187
40sC 164 164 171 181 180 193

Source : R.O., Coimbatore