

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:3776
ANSWERED ON:02.12.2010
COTTON PRICES
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Will the Minister of TEXTILES be pleased to state:

- (a) whether prices of cotton in international market were the highest during September-October, 2010 as compared to previous years;
- (b) if so, the facts in this regard;
- (c) the gap between the prices of cotton in international market and domestic market during the said period;
- (d) whether permission for export of cotton has been granted to take advantage of the increased prices of cotton in international market;
- (e) if so, the reaction of the Government thereof; and
- (f) the additional foreign exchange likely to be earned as a result of such export?

Answer

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

(a) to (f): Yes Madam, International cotton prices reached a peak value of US 172 cents/lb on November 10, 2010 as compared to us 72.45 cents/lb on 2009-10. The gap between prices of cotton on International Market and domestic Market varied from us 40 cents/lb to US 22 cents/lb in November, 2010. Government of India has put in the following policy measures to ensure cotton security for the cotton season 2010 -11 to address issues of price volatility and supply side disruptions:

- i. Actual exports would commence from 1.11.2010; and
- ii. The exportable surplus was identified as 55 lakh bales;