

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:918

ANSWERED ON:25.02.2011

EXPORT OF COTTON

Kumar Shri P.;Lagadapati Shri Rajagopal;Naik Dr. Sanjeev Ganesh;Semmalai Shri S. ;Sivasami Shri C.;Sule Supriya ;Venugopal Shri P.

**Will the Minister of TEXTILES be pleased to state:**

- (a) the present policy of the Government in regard to export of cotton;
- (b) whether several textile industry bodies including the Confederation of Indian Industries (CII) have sought restrictions on cotton export and on the other hand some have made demands to lift the ban on export of cotton;
- (c) if so, whether the Government proposes to change its present policy of cotton export in view of demands/representations in this regard;
- (d) if so, the details thereof;
- (e) whether Government is aware of the difficulties being faced by the knitwear industries and the exporters due to an increase in the prices of cotton yarn;
- (f) if so, the details thereof; and
- (g) the remedial measures taken by the Government to check the increase in cotton prices and sufficient availability of raw cotton in the country in order to utilize installed capacity of textile mills alongwith details of financial and other assistance provided to the industry/exporters in this regard?

**Answer**

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

- (a): Government has placed cotton exports under OGL with of 55 lac bales allowed for exports with DGFT as registration authority.
- (b): Yes, Madam, several Textiles Industry bodies including Confederation of Indian Textile Industry have sought restrictions on cotton exports, Cotton Association of India has represented that there should be no restriction on cotton exports.
- (c) & (d): Based on the representations received, Government has through an informal Committee of Secretaries comprising of Commerce Secretary, Textiles Secretary and Agriculture Secretary arrived at an exportable surplus of 55 lac bales for 2010-11.The decision was ratified by an informal Group of Ministers.
- (e) & (f): Yes Madam, Yarn Prices have increased by Rs. 65/kg in 45 days resulting in difficulties in Yarn consumers.
- (g): Government has allowed cotton exports at 55 lac bales to address price volatility and ensure adequate availability to domestic mills. The informal Committee of Secretaries has met several times in the cotton season 2010-11 to monitor the situation.