

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:3221  
ANSWERED ON:28.07.2009  
DEMAND FOR COTTON  
Rao Shri Nama Nageswara

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

- (a) whether the demand for Indian cotton has fallen substantially due to the economic slowdown;
- (b) if so, whether any measures are being taken to protect the interest of cotton growers;
- (c) if so, the details thereof; and
- (d) if not, the reasons therefor?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a): Yes, Madam. The demand of Indian cotton has fallen during the current cotton season 2008-09 (October-08 – September-09) as compared to the preceding cotton season.

Cotton Advisory Board (CAB) in the Ministry of Textiles has estimated an export of raw cotton at 50 lakh bales (170 kg each) for the cotton season 2008-09 as against estimated export of 85 lakh bales for the previous year.

(b) to (d): In order to boost the export of cotton for the benefit of cotton growers, the Ministry of Commerce & Industry, has extended the Vishesh Krishi Gram Upaj Yojana (VKGUY)- a Special Agricultural Produce Scheme from 30-06-2009.

Apart from the above, the Government of India has also provided the following financial assistance under stimulus package.

i. Issuance of duty credit scrips (authorization for duty free imports under the Duty Entitlement Pass Book (DEPB) Scheme – a popular import duty reimbursement scheme for exporters – without waiting for realisation of export payments. It also allowed the use of the duty credit scrips for import of restricted items.

ii. The DEPB Scheme of Director General of Foreign Trade (DGFT) valid upto 31-03-2009 has been extended upto 31-12-2009.

iii. Hike in the rate of tax refund to the exporters paid under the popular Duty Entitlement Pass Book (DEPB) Scheme to the November, 2008 level. The scheme has been extended upto 2009.