

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:4341

ANSWERED ON:29.08.2011

INITIATIVES TO BOOST THE EXPORT OF COTTON/YARN

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

- (a) whether the Government consider that there is need to take some incentives to promote export of cotton after removing quantitative restrictions and the recent fall in prices of raw cotton/yarn;
- (b) if so, the details of the steps taken by the Government in this regard;
- (c) the projected target of the Government to increase cotton production in the country during the next Five Year Plan in view of the rising demand of exports; and
- (d) whether there is any proposal for setting up of centres of cotton excellence in the country including Gujarat and if so, the details thereof alongwith the efforts being made by the Government to promote the textile industry, so far?

**Answer**

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

(a) & (b): Cotton exports have been placed on Open General License (OGL) category without any export cap with effect from August 2, 2011. Government has restored DEPB benefits on cotton from October 1, 2010 and cotton yarn from April 1, 2011 to incentivize cotton and yarn exports addressing the slowdown in the industry. Cotton prices have increased from Rs. 29,500/candy on August 2, 2011 to Rs. 38,500/- candy on August 25, 2011 since these policy interventions.

(c): The draft National Fibre Policy prepared with a decadal perspective projects for an increase in cotton production in the country from 325 lakh bales in 2010-11 cotton season to 433 lakh bales in 2016-17 with a surplus of 58 lakh bales.

(d): The Technology Mission on Cotton was implemented in the 9th, 10th and 11th Five Year Plan with the vision to increase cotton production by about 50 percent from an area of 90 lac hectares by producing globally competitive clean high quality cotton for domestic consumption and value added export. During the period of implementation of the Technology Mission on Cotton, cotton production increased from 95.24 lac bales in 2000-01 to 325 lac bales in 2010-11 and area under cultivation in 2011-12 is expected to reach 120 lac hectares with India's cotton exports increasing from 0.84 lac bales in 2000-01 to 80 lac bales in 2010-11. Mini Mission- I on development of short duration, disease and pest resistant varieties, improved water and nutrient practices and development of integrated pest management technology is implemented through a number of premier Institutions in the country like Central Institute for cotton Research (CIRCOT), Mumbai, Central Institute for cotton Research (CICR), Nagpur and a number of Agricultural Universities.