GOVERNMENT OF INDIA TEXTILES LOK SABHA

UNSTARRED QUESTION NO:1333 ANSWERED ON:08.08.2011 COTTON/YARN EXPORT

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Will the Minister of TEXTILES be pleased to state:

- (a) the details of cotton bales/raw cotton produced in the country, quantity likely to be allowed for export during the current year and imposition of restriction/cess/export duty, if any, on raw cotton export;
- (b) the steps taken by the Government to protect the interests of the domestic textile producers/weavers in the country due to steep price fluctuation of the cotton/yarn during the last year;
- (c) the details of yarn spinning capacity in the country available for domestic textile products manufacturers; and
- (d) the details of export/import of yarn and their impact on domestic producers during each of the last three years?

Answer

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

- (a): In the current cotton season 2010-11 cotton production has been projected at 325 lakh bales by the Cotton Advisory Board in their meeting held on 25.7.2011. Cotton export has been placed under OGL with effect from 2nd August, 2011 without any quantitative limit subject to registration with the DGFT.
- (b): Government of India has taken the following measures, to protect the interests of the domestic textile producers / weavers of the domestic industry:
- # Duty drawback on cotton yarn was withdrawn w.e.f. 29.4.2010.
- # Strict monitoring of hank yarn obligation from 1.4.2010.
- # Cotton Yarn Advisory Board was constituted to monitor the domestic supply, consumption and export of cotton yarn.
- # Cotton Yarn Export has been placed under Open General Licence (OGL) with effect from 1st April, 2011 subject to registration of export contracts with Director General of Foreign Trade (DGFT).
- (c): The number of spindles in the country is 47.57 million and the number of Rotors is 749 lacs. (Source -Textile Commissioner):
- (d): India is a yarn surplus country, with domestic production exceeding domestic consumption. Details of Import and export of cotton yarn are as follows:

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(Mn. Kg)

Item 2007-08 2008-09 2009-10 (Prov.) 2010-11 (Prov.) (Apr.-Oct)

Import 7.14 4.89 5.35 2.74 Export 664.14 555.77 589.02 438.04
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Source: D.G. CIS, Kolkata.