

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

STARRED QUESTION NO:348

ANSWERED ON:30.04.2012

BAN ON COTTON EXPORT

Joshi Dr. Murlī Manohar,Pal Shri Jagdambika

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

- (a) whether the export of cotton has been banned;
- (b) if so, whether the Government has consulted various stakeholders, including the textile industry, Ministries concerned and various State Governments before arriving at the decision to ban the export of cotton;
- (c) if so, the views expressed by each stakeholder and the likely impact of such decision on the cotton growers alongwith the implications on the Government's finances;
- (d) whether the Government has taken note of representations received from various quarters including the Indian textiles industry, organisations from foreign countries including China opposing the ban and urging the Government to lift the ban; and
- (e) if so, the reaction of the Government thereto?

**Answer**

(MINISTER OF TEXTILES) (SHRI ANAND SHARMA)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 348 FOR ANSWER ON 30.04.2012 BY DR. MURLI MANOHAR JOSHI AND SHRI JAGDAMBIKA PAL REGARDING BAN ON COTTON EXPORT.

(a): Export of cotton was suspended on 5th March 2012 when the exportable surplus was exceeded; Government reviewed the matter and lifted the ban on March 9, 2012 when revalidation of registered contracts was permitted. However new registration was suspended till further orders to ensure availability to domestic textiles industry.

(b) & (c): Yes Madam, Government consulted the stakeholders of the cotton value chain through the institutional mechanism of the Cotton Advisory Board comprising of representatives of farmers, traders, textiles mills, Government nominees of the 9 cotton growing States, Ministry of Agriculture and Department of Commerce in reaching a consensus on exportable surplus. Government also consulted Ministry of Agriculture, Ministry of Commerce and Ministry of Textiles in reaching the decision. The impact on Government finances was considered marginal as prices were well above the MSP prices and some price moderation was expected for cotton farmers.

(d): Yes Madam, Government has taken note of the representations received from the 18 stakeholders and from foreign countries including organizations from China. The representations received were both for lifting the ban and welcoming it and for building a buffer stock of 25 lac bales to avoid supply side disruptions.

(e): The matter is actively engaging the attention of Government and position is being regularly reviewed.