

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:6406

ANSWERED ON:06.05.2013

COTTON YARN FOR TEXTILE INDUSTRY

Pakirappa Shri S.;Sampath Shri Anirudhan;Siddeswara Shri Gowdar Mallikarjunappa

Will the Minister of TEXTILES be pleased to state:

- (a) whether any representation has been received from the various textiles industry/ organisations for more cotton availability to the textile industry including handloom/ powerloom in view of the bumper crop in the country;
- (b) if so, the details thereof and steps taken by the Government in this regard;
- (c) whether any proposal is under consideration of the Government to ban/ restrict the export of raw cotton/yarn in view of the increase the prices of cotton/ yarn in the country during the last three years;
- (d) if so, the details thereof along with the problem being faced by the textile and handloom sectors due to increase in the prices of cotton/yarn and follow up action taken by the Government;
- (e) the details of the existing mechanism under Hank Yarn Obligation scheme;
- (f) whether the Government proposes to modify the Hank Yarn Obligation mechanism in order to provide relief to the spinning mills and if so, the details thereof;
- (g) whether the Government proposes to reduce the Hank Yarn Obligation for spinning mills;and
- (h) if so, the details thereof and if not, the reasons therefor?

Answer

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

(a) & (b) The Cotton Advisory Board in its meeting dated April 17, 2013 estimated a crop size of 340 lac bales, consumption of 270 lac bales and exports of 81 lac bales. There is adequate cotton available in the country for domestic consumption, cotton prices remain stable and no supply side disruptions have been observed.

(c) & (d) Cotton and cotton yarn markets are currently functioning in an orderly manner.

(e) to (h) The Hank Yarn Obligation (HYO) is a mechanism to ensure adequate availability of hank yarn to handloom weavers at reasonable prices. The existing Hank Yarn Packing Notification prescribes that every producer of yarn who packs yarn for civil consumption, shall pack at least 40% of yarn in hank form on quarterly basis and not less than 80% of the hank yarn packed shall be of counts 80s and below. There is no change in the present policy on Hank Yarn Obligation.