

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:1076

ANSWERED ON:12.08.2013

IMPORT EXPORT OF COTTON YARN

Azad Shri Kirti (Jha);Bhagora Shri Tarachand;Hussain Shri Syed Shahnawaz;Jawale Shri Haribhau Madhav;Kashinath Shri Taware  
Suresh;Pakkirappa Shri S.;Reddy Shri Magunta Srinivasulu

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

(a) whether the representations from the textile mills/handloom/ powerloom/ hosiery units have been received to provide more cotton to them as they are facing acute shortage of raw materials;

(b) if so, the details thereof and the reasons therefor along with any financial assistance/raw material provided by the Government to the above sectors/workers engaged therein;

(c) the share of Indian cotton exports in the world along with efforts made by the Government to make India the leading cotton exporting country;

(d) whether the Government proposes to ban/restrict the export of raw cotton/ yarn;

(e) if so, the details of the cotton export policy along with any representations received and consultations made by the Government with Trade Unions/textile industries and various States in this regard;

(f) the details of export/import of cotton/yarn during the last three years and the current year, country-wise including China; (g) whether the textiles/fabric/clothes/ apparel are being imported from various countries including our neighbouring countries during the last three years and the current year; and (h) if so, the details thereof and the likely impact on the growth of above industries particularly apparel sector during the above period along with the steps taken by the Government to restrict import of textiles products to protect the domestic industries?

**Answer**

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

(a) & (b): Some textile industry associations have represented to Government that cotton stocks of Cotton Corporation of India (CCI) may be released for consumption by the domestic textile industry. CCI is disposing off its MSP stock in domestic market. As on 6th August, 2013 CCI has sold 13.83 lakh bales of MSP cotton in the domestic market. CCI is also offloading balance quantity of 9 lakh bales in a gradual manner.

(c): India's cotton exports have progressively increased from 80 lac bales in 2009-10 cotton season to 129 lac bales in 2011-12 cotton season. Cotton exports for 2012-13 are projected at nearly 100 lac bales which is about 20% of world cotton exports. Government implemented the Technology Mission on Cotton in the 10th and 11th Plans for improving the quality and yield of cotton production in the country.

(d): Cotton/yarn exports are currently on Open General License (OGL) category with registration of export contracts by Directorate General Foreign Trade (DGFT);

(e): There are no representations for restrictions on cotton exports. Tirupur Exporters Association (TEA), Clothing Manufacturers Association of India (CMAI) and Apparel Export Promotion Council (AEPC) represented for restrictions on cotton yarn exports to moderate domestic prices which following discussions with stakeholders, price moderation trends were witnessed in domestic markets;

(f): The details of export and import of cotton during the last three years and the current year, country-wise including China is given at Annexure-I and II respectively. The details of export and import of cotton yarn during the last three years and the current year, country-wise including China is given at Annexure-III and IV respectively.

(g) & (h): Textiles including fibre, fabrics and apparels are being imported from various countries including our neighbouring countries. The details of import of textile items is given at Annexure-V.

India imports textiles / fabrics / clothes / apparel from various countries including our neighboring countries. In 2012-13 India's textiles exports were USD 31.72 billion against textiles imports of USD 5.43 billion. India's textiles imports comprise of raw silk, wool, extra-long staple cotton, and man-made filaments all of which are raw materials for textiles industry. India's textiles imports increased from USD 4.09 billion in 2010-11 to USD 5.13 billion in 2011-12 to USD 5.43 billion in 2012-13. India also has tariff rate quota

arrangements with Bangladesh and Sri Lanka which enables these countries to export garments under the Tariff Rate Quota system. In September 2011, India unilaterally reduced import duties on 46 tariff lines for Bangladesh enabling garment imports from Bangladesh.

There is Counter Veiling Duties imposed on imports of Readymade Garments. The CVD existed on imports is charged in lieu of the Excise Duty to provide a level playing field to the domestic manufacturers and to protect the domestic industry. Government in the Union Budget 2013 has announced an increase in Import duty of mulberry silk from 5% to 15%. An import duty of 5% is applicable on wool sector imports and 10% on import of ready made garments and manmade filaments.