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Title: Need to permit export of additional 20 lakh bales of cotton.

SHRIMATI BOTCHA JHANSI LAKSHMI (VIZIANAGARAM): The cotton growing farmers in Andhra Pradesh are in deep financial problems in 2012. Although cotton is a cash crop in India, farmers are in deep problems. Growing cotton in Andhra Pradesh is quite a traditional cultivation in Andhra Pradesh.

In fact, in 2011, AP cotton production was 48 lakh bales. Of course, 2011 was a very good year for cotton farmers as prices of raw cotton increased up to 100 per cent, making cotton farming very fruitful. The remunerative price could not continue for a longer time.

Cotton growing does not need much water but sufficient water at a right time is needed. Unfortunately in 2012, rainfall was not upo to the mark in Andhra Pradesh. Looking at the higher prices for cotton in 2011, many farmers chose to cultivate cotton this year expecting a higher return. Due to uncertain rainfall and non availability of farm labour, the cotton production was restricted to 50 lakh bales in Andhra Pradesh in spite of more 20 per cent farm land added to cultivate cotton.

The Ministry of Commerce through the notification dated 5.3.2012 has imposed a ban on export of cotton. As a matter of fact, at this juncture, it would have an adverse impact on price of cotton being paid to cotton growers in Andhra Pradesh. The cotton price in major markets as on 5th March, 2012 is around Rs.3,600 per quintal. In fact cotton farmers this year are suffering on two counts – lower prices of cotton and lower productivity. As a result, the income of the cotton growers has come down and the farmers are deeply agitated. After the issue of notification, the price of cotton per quintal crashed from Rs.3,600 to Rs.3,300.

As we all know, a steep drop in cotton price would lead to economic distress among cotton farmers.

I, therefore, request the Ministry of Commerce to intervene in the matter and issue instructions to the concerned to permit export of additional 20 lakh bales cotton till 31st May, 2012.