

## Cotton output may crimp textile industry

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Boosting output India needs to maintain its edge in cotton production - Kamal Narang

Huge investments are required in technology and agronomic practices of cotton production to aid the textile industry

In India annually 65 lakh farmers cultivate more than one crore hectares of cotton, the largest in the world in about 10 States mostly under rainfed conditions.

An estimated 6 crore people depend on cotton for their living. India's share in global cotton production is a whopping 25 per cent, a matter of pride for India and the Indian farmer.

Indian cotton production received a big boost from 130 lakh bales in 2002 to 370 lakh bales in 2017 with the introduction of Bt cotton. Increased cotton availability helped Indian cotton exports to flourish and reach \$8 billion last year.

### **GM tech boost**

Introduction of GM technology enabled cotton to record the highest CAGR among all major crops for a decade.

Cotton has been successfully used as a multiple purpose crop in three ways: Edible oil for human consumption; de-oiled cake as an animal feed; and kapas for fibre.

Cotton seed industry forms about 20 per cent of the total seed industry in India.

The cotton seed industry has played a pivotal role by continuously investing in research, developing new hybrids, developing and introducing Bt cotton technology.

This industry has played a huge role in making required quantity and quality of cotton available to the textile industry.

The cost of cotton seed is less than 5 per cent of the revenue of the cotton farmer and has remained very affordable for him compared to other countries.

The Indian textile industry is predominantly cotton based with almost 75 per cent of the spun yarn in the country being produced from cotton.

Availability of good quality cotton throughout the year at an internationally competitive price is essential to achieve a sustained growth rate in the textile industry.

The textile industry is a huge beneficiary of the Bt technology-led spurt in cotton production. Since 2000 the size of the textile industry grew six times to ₹10 lakh crore, exports more than tripled to ₹2.5 lakh crore and spun yarn production almost doubled during this period.

India has become largest exporter of cotton yarn in the world taking advantage of the production boost in home grown cotton. Thus, cotton has been the engine of growth for the Indian textile industry. According to SIMA, Indian cotton textile value chain has the potential to achieve 12 per cent CAGR as against 6 per cent CAGR achieved so far.

For this growth, the textile industry projects their cotton requirement of 570 lakh bales on the conservative side and 940 lakh bales on the aggressive side by 2028.

While there is potential still to improve the productivity of cotton and support aggressive growth of our textile industry, it requires infusion of next level of technologies and agronomic practices.

## **Gen next traits**

To reach this level of increase in yields we need to strategically introduce next generation traits like Bt3, Bt4, Herbicide Tolerance, Water Use Efficiency, Nitrogen Use Efficiency, High density planting system, mechanical harvesting system (which needs different plant architecture that needs to be developed through cotton seed research).

Such a spurt in cotton production will help in doubling rainfed area farmers' incomes.

Currently there is a freeze on the flow of new technologies into cotton seed because the technology providers are completely discouraged with the direction in which the biotechnology policy of the government is progressing, the stalemate in the regulatory approval process, the price control on GM seeds, the confusion on the IP situation of traits and the hostile environment that is prevailing in the country towards using modern science technology in seed.

Many companies have either scaled down or closed down their technology development centres in India or have deferred their plans.

## **The impact**

What will happen if this situation continues in this very important textile and cotton sector during the next 10 years and if we do not take immediate action to debottleneck the cotton seed industry?

a) The technologies currently used in cotton will lose their effectiveness over a period of time and the farmers will have to go back to heavy use of chemical pesticides to control the dreaded bollworms. It increases cost of production and makes him uncompetitive.

b) Cotton yields may stagnate or decline in future threatening the prominent position India holds in the global cotton markets and our cotton exports. Due to increasing cost and scarcity of labour in the next 10 years farmers will not be able to manage weeds in the fields and will not be able to pick cotton affecting yields and economics. The cost of picking cotton has already touched 10 per cent of the revenue of the farmer and will go up further.

c) The textile industry will be a big loser. If the cotton production stagnates the textile industry will lose \$330 billion business opportunity in the global markets for which it needs 940 lakh bales of cotton production by 2028. This can jeopardise the commercial prospects, employment generation and export potential of this huge industry. It can lead to a huge increase in imports of cotton at increased cost. All this points to bleak prospects for the farmers and consumers of India.

d) The States which dominate textile manufacturing — Tamil Nadu, Andhra Pradesh, Maharashtra, Gujarat, Madhya Pradesh and Haryana — will see a huge loss of economic opportunity during the next 10 years. The States which dominate cotton crop cultivation — Maharashtra, Gujarat, Andhra Pradesh, Telangana, Punjab, Haryana, Karnataka and Tamil Nadu — will lose heavily in terms of farmers' welfare and rural prosperity.

## Time for review

A comprehensive review is to be held by involving the end user, the Ministry of Textiles, the States that grow cotton and the States that manufacture textiles.

It is time the government takes the right strategic decisions and not sacrifice the future interests of the textile and cotton sectors.

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