

India's cotton imports shoot up as farmers battle low yields, prices

Indian farmers are urging the government to introduce measures to improve cotton productivity in the country, in the hopes of making local markets internationally competitive, amid the falling price of the produce in the global market

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Increasing import of raw and waste cotton in the last seven months has brought to fore the urgent need for measures to improve cotton productivity in India.

Cotton imports were to the tune of \$104 million in August 2024, \$134.2 million in September 2024, \$127.71 million in October, \$170.73 million in November, and \$142.89 million in December, 2024. In January this year, it stood at \$184.64 million.

Comparably, the imports were \$74.4 million in August 2023, \$39.91 million in September 2023, \$36.68 million in October 2023, \$30.61 million in No-

vember 2023, and \$29.47 million in December 2023. In January 2024, the imports were \$19.62 million.

Meanwhile, the Cotton Corporation of India (CCI) has procured close to 100 lakh bales of Indian cotton that has come into the market since the beginning of the new season on October 1, 2024. In the peak cotton arrival season in December 2024, the CCI bought almost 60% of the daily arrivals at the minimum support price (MSP). The price of the Shankar 6 variety of cotton on Saturday was ₹52,500 a quintal.

Jaipal, a cotton farmer in Telangana, said at the beginning of the season that farmers are not happy because yield is less. "International prices are weak

Import woes

An increase in the import of cotton in the last two years has brought to fore the urgent need for measures to improve cotton productivity in India



and mills are able to buy from there," he said.

Kurbur Shanthakumar, president of Karnataka State Federation of Farmer Associations, said the cost of production per quintal is ₹9,000 and the MSP is ₹7,235. But, brokers were buying in the open market

Cotton and raw cotton imports (in \$ million)

Month	2023	2024
January	28.99	19.62
February	34.69	31.43
March	55.01	48.8
April	45.3	37.91
May	58.09	43.88
June	95.1	70.22
July	88.72	86.29
August	74.9	104.89
September	39.91	134.2
October	36.68	127.71

at only ₹5,000 to ₹5,500 per quintal.

The Union Budget announced in February has a Cotton Mission aimed at improving productivity.

For the Indian textile industry, international cotton prices are weak and with export demand look-

ing up for garments and home textiles, there is a need for the textile industry to be internationally competitive. Over 60% of garments exported are cotton-based. Extra Long Staple cotton can be imported duty free and exporters can import cotton without duty under Advance Authorisation. The mills seem to have imported cotton as international cotton prices were lower than Indian prices and the imports have not disturbed the local market, sources said.

"Cotton productivity in India is about 450 kg per hectare as against 1,800-2,000 kg/ha in Brazil. Indian yarn exports should increase," Pankaj Sharda, director, Indian Cotton Association, said.