

GOVERNMENT OF INDIA
MINISTRY OF TEXTILES
RAJYA SABHA
UNSTARRED QUESTION NO-3351
ANSWERED ON- 28/03/2025

DECLINE OF COTTON EXPORTS

3351. SHRI M. MOHAMED ABDULLA:

Will the Minister of TEXTILES be pleased to state:

- (a) the measures being taken to support domestic cotton farmers amid the projected 10 per cent decline in production, as reported by the Cotton Association of India, and the manner in which these efforts will stabilize output;
- (b) the strategies to mitigate the impact of rising cotton imports, expected to reach 3 million bales, on the textile industry's competitiveness and global cotton prices; and
- (c) the steps to address the drop in cotton exports to 1.7 million bales and enhance domestic cotton quality and yield to meet both local and international demand?

ANSWER

THE MINISTER OF STATE FOR TEXTILES
(SHRI PABITRA MARGHERITA)

(a): The Government has been increasing the Minimum Support Price (MSP) of cotton over the years to encourage farmers for cultivation of cotton. During the year 2024-25, MSP for cotton has been increased by nearly 7.5% percent from the previous year. Further, a Special Project on Cotton, 'Targeting technologies to agro-ecological zones – large scale demonstration of best practices to enhance cotton productivity' has been implemented by ICAR- Central Institute for Cotton Research (CICR), Nagpur in 61 districts of 8 major cotton growing States under National Food Security and Nutrition Mission (NFSNM) during 2023-24 and is continuing in 2024-25 to enhance productivity of cotton.

(b): The average import of cotton in last ten cotton seasons has been noted to be at about 5% of the average cotton production in the country. The majority of imports in India are reported to be to meet the specific requirement of either specialized cotton (ELS varieties like Giza, Supima, CMIA, Australian cotton for value-added textile production) or back-to-back arrangements by the industry with brands etc. Further, 11% Customs Duty (5% Basic Customs Duty + 5% Agriculture Infrastructure and Development Cess + 10% of Social Welfare Surcharge) is currently levied on import of raw cotton.

(c): Export of cotton is based on the demand of cotton domestically and globally. However, the Government is continuously monitoring export performance and taking various measures to boost production and exports. Government of India has placed export of cotton under Open General License (OGL). In order to boost exports, Department of Commerce under its Market Access Initiative (MAI) has been providing financial support to various Export Promotion Councils and Trade Bodies engaged in promotion of Textiles and Garments Exports for organizing and participating in trade fairs, exhibitions and buyer-seller meets.

In order to enhance the cotton quality and yield by providing best of science & technology support to farmers, a "Mission for Cotton Productivity" has been announced during Budget 2025-26. This 5-year mission envisages facilitation of significant improvements in productivity and sustainability of cotton farming, and promotion of extra-long staple cotton varieties.
