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## **Report Name:** Cotton and Products Annual

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### **Report Highlights:**

FAS Mumbai (Post) forecasts MY 2022/23 cotton production will increase by five percent to 27.7 million 480 lb. bales on an area of 12.7 million hectares, two percent higher than last year. Yields are expected to improve by two percent to 475 kilograms per hectare on the expectation of a normal monsoon. Mill consumption is estimated to rise by three percent based on continued robust textile export demand. Exports are expected to expand by ten percent to 5.5 million bales due to greater exportable supplies along with larger global supplies that keep Indian cotton prices competitive. Imports are expected to rise by 50 percent to 1.5 million bales based on the expectation of local traders that the Government of India will reduce or remove the tariff on extra-long staple cotton to help local industry achieve their textile export targets.

## India: Commodity, Cotton - Production, Supply and Distribution

Cotton	2020/2021		2021/2022		2022/2023	
Market Year Begins	Aug 2020		Aug 2021		Aug 2022	
India	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	-	-	-	-	-	-
Area Harvested (1000 HA) (a)	13,000	13,000	12,400	12,150	-	12,700
Beginning Stocks 1000 480 lb. Bales	15,684	15,684	11,939	11,939	-	7,939
Production 1000 480 lb. Bales	27,600	27,600	26,500	26,700	-	27,700
Imports 1000 480 lb. Bales	844	844	1,100	1,000	-	1,500
MY Imports from U.S. 1000 480 lb. Bales	-	-	-	-	-	-
Total Supply 1000 480 lb. Bales	44,128	44,128	39,539	39,639	-	37,139
Exports 1000 480 lb. Bales	6,189	6,189	5,500	5,000	-	5,500
Use 1000 480 lb. Bales	26,000	26,000	26,000	26,700	-	26,800
Loss 1000 480 lb. Bales	-	-	-	-	-	-
Total Dom. Cons. 1000 480 lb. Bales	26,000	26,000	26,000	26,700	-	26,800
Ending Stocks 1000 480 lb. Bales	11,939	11,939	8,039	7,939	-	4,839
Total Distribution 1000 480 lb. Bales	44,128	44,128	39,539	39,639	-	37,139
Stock to Use % (PERCENT) (b)	37	37	26	25	-	15
Yield (KG/HA) (c)	462	462	465	478	-	475

Figures in Thousand 480-lb bales, except where indicated: (a) thousand hectares, (b) percent, (c) kilograms/hectares

### Area and Production

Post forecasts marketing year (MY) 2022/2023 cotton production to increase by five percent compared to last year to 27.7 million 480 lb. bales (35.5 million 170-kilogram bales/ 6 MMT) on an area of 12.7 million hectares, two percent higher than last year. Based on the expectation of a normal monsoon, Post forecasts an average yield estimate of 475 kilograms per hectare for MY 2022/23. This represents a two percent increase over the MY 2021/22 estimated yield at 465 kilograms per hectare, and is higher than the three-year moving average, and less than one percent lower than five-year moving average of 477 kilograms per hectare

The increase in cotton area is driven largely by the expectation of higher prices by farmers. In MY 2021/22, farmers profited from record high prices across cotton growing states. Since October 2021 (the beginning of the Indian marketing year), farmers have achieved good returns, as farmgate prices for Shankar-6 long staple variety in Gujarat have increased by 60 percent and remained firm throughout the season. Competing crops such as soybeans, groundnut, paddy, pulses, and chili have also provided good margins, but cotton prices have been consistently high.

In North India, farmers in Punjab had witnessed a severe infestation of pink bollworm but were able to offset losses due to prevailing high prices. Similarly, Haryana is expected to experience higher cotton area due to strong local mill demand, and better profitability compared to competing crops, while Rajasthan may see higher area under oilseeds and cereals. In Central India, Post estimates a significant recovery in cotton area in the state of Gujarat. Farmers have the option of growing cotton and groundnut as prices for both crops have been well above the Minimum Support Price (MSP), however the high cost of cultivation makes cotton a more profitable choice. Trade sources indicate that farmers earned almost a

40-50 percent higher profit per hectare on cotton as compared to groundnut. In Maharashtra, cotton area is expected to increase marginally as soybean area is also expected to rise in Central Maharashtra due to continuous demand from the livestock industry for soyabean meal. Madhya Pradesh is expected to maintain similar area as last year. In Southern India, farmers are expected to increase cotton area in Telangana and Andhra Pradesh. In 2021/22, the chili crop was damaged due to a pest outbreak of southeast Asian thrips, an invasive species. Government reports indicate the damage to the crop was between 40-80 percent in the states of Telangana and Andhra Pradesh. The pest can also grow and multiply on alternate hosts like drumstick, pigeon pea, chickpea, papaya, mango, and various weed species.

For MY 2021/22, Post has lowered the production estimate to 26.7 million 480 lb. bales (34.2 million 170-kilogram bales/5.8 MMT). Post's estimate is 200,000 480 lb. bales higher than official USDA estimate. Trade sources estimate a much lower crop than official USDA estimates as market arrivals reported by government agencies are lagging well behind historical averages. According to the Cotton Corporation of India (CCI), MY 2021/22 crop arrivals as of February 28, 2022, are estimated at 17.3 million 480 lb. bales (22.2 million 170-kilogram bales/3.8 MMT). Current crop arrivals represent 61 percent of total estimated production for MY 2021/22. In MY 2020/21, arrivals during the same period (October-February) were 25 percent higher, but current arrivals are 13 percent lower than the three-year average, and eight percent lower than the five-year average. However, seed cotton arrivals data reported by the Ministry of Agriculture and Farmers Welfare (refer table 2) for March 2022 indicate that arrivals are almost 45 percent higher as compared to the same period last year, which leads to questions over whether farmers are still holding cotton. Trade sources also indicate that a large percentage of the crop is being held by the ginners as ex-gin prices continue to surge. Post analysis indicates that market arrivals in March-September have been steadily rising over the past decade, and arrivals typically range between 9-11 million 170-kilogram bales based on the three- and five-year moving averages.

### **General Production Outlook**

India accounts for about one-third of global cotton area. Within India, the central cotton-growing zone produces two-thirds of the country's cotton output, which includes the states of Maharashtra, Madhya Pradesh, Gujarat, and Odisha, where much of the crop is rain fed. The northern zone, which consists of the states of Punjab, Haryana, and Rajasthan, produces cotton under irrigated conditions and accounts for about 12 percent of production. In the south, the states of Andhra Pradesh, Karnataka, and Tamil Nadu account for 25 percent of production. The central and southern zones typically grow long duration cotton that allows farmers to reap multiple harvests. While the number of pickings have declined as traditional varieties are replaced by biotech hybrids, farmers can still manage up to five pickings per plant depending on weather conditions. In contrast, irrigated cotton in the northern zone is mostly a short season crop that fits into a cotton-wheat cropping system.

Cotton, a predominantly monsoon season or Kharif crop, is planted from the end of April to September, and harvested in the fall and winter. According to the Ministry of Agriculture and Farmers Welfare (MOAFW), 6.14 percent of total gross crop area in India is under cotton. Cotton yields have plateaued over the last five years to an average of approximately 477 kilograms per hectare.

Area under BT (*Bacillus thuringiensis*) cotton and other improved varieties have reached an estimated 90-93 percent. Prospects for future improvement in yields are limited as most cotton is grown under rain-fed conditions on small farms. The regulatory approval process to introduce new biotech traits is at

a standstill, which has led to many companies scaling back, stopping, or withdrawing the development of new biotech varieties for cotton and other crops, which will likely impact future long-term growth.

Additionally, yields in India are lower because farmers provide more row space between cotton plants to traverse with a bullock and cultivator for weed control purposes. This lower plant density in the field is offset to some extent by the multiple pickings farmers complete through manual rather than machine harvesting. To address this, researchers are working on production schemes with higher plant populations that could improve yields.

There are an estimated six million cotton farmers with an average farm size of 1.5 hectares. Small land holdings limit the ability to adopt capital-intensive production technologies and infrastructure. Even without changing land holdings, yields would likely benefit from improved irrigation, fertilizer, micronutrients, and pest and disease management. Future growth in cotton production is more likely to come from higher yields rather than area expansion. According to the MOAFW, close to 33 percent of total cotton area is under irrigation.

Various federal and state government agencies and research institutions are engaged in cotton varietal development, seed distribution, crop surveillance, integrated pest management, extension, and marketing activities. In 1999, the national government launched the Technology Mission on Cotton (TMC) to improve the availability of quality cotton at reasonable prices, improve productivity, modernize marketing infrastructure, and ginning through research and technology transfer.

### **Biotech Cotton – Widely Adopted for Medium and Long Staple Cotton**

Since its introduction in 2002, BT cotton has been widely adopted and now accounts for an estimated 92 percent of total cotton area planted in India and over 95 percent of India's cotton production. The Government of India has approved six biotech cotton events and more than 300 hybrids for cultivation in different agro-climatic zones. One of the results of the adoption of BT cotton has been a significant shift in the varietal profile and share of different types of cotton being produced in India. Most Bt hybrids are of medium and long staple cotton (26 to 32 mm) which has resulted in declining production of short staple (below 22 mm) and extra-long staple (35 mm and above) cotton. If the current trend continues, the domestic textile industry may seek to augment their short staple cotton requirements through imports. Post is aware that the Government of India's (GOI) research institutes are developing non-Bt biotech cotton for sowing, but at this time, it is not approved for commercial use.

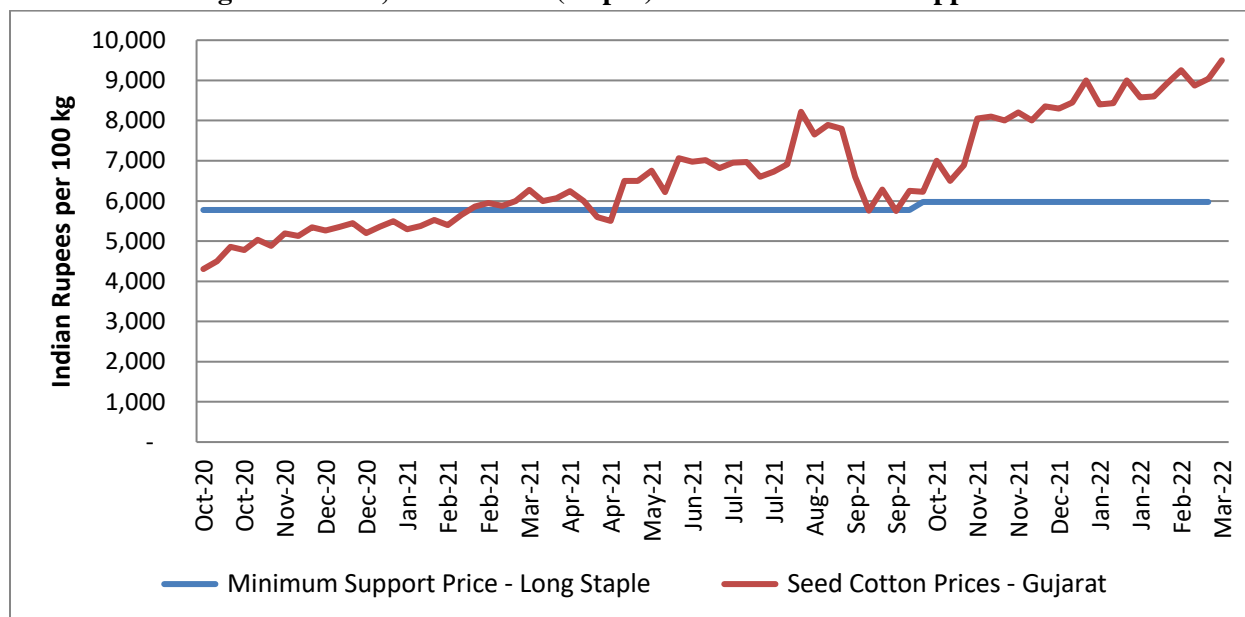
### **Minimum Support Price**

The GOI establishes the MSP for seed cotton and this price is announced annually and may or may not precede the start of the planting season. The Cotton Corporation of India (CCI) has been appointed as the main agency to manage price support operations in the event prices of Fair Average Quality (FAQ) grade seed cotton (*kapas*) fall below the MSP level. CCI is responsible for price support operations in all states. These procurement operations are carried out only in Agricultural Produce Market Committee (APMC) yards for farmers duly identified based on their land records, government issued identification cards, bank details, and other information without involvement of any intermediaries and payments are made online directly to farmers' bank accounts after receipt of purchase bill.

CCI, in addition to buying at the MSP level and marketing cotton through an auction, is active in the market at other times as conditions dictate. For MSP operations, CCI is assisted occasionally by other

federal and state government marketing organizations (e.g., the Maharashtra State Co-op Cotton Growers Marketing Federation or MAHACOT) to purchase cotton in support of local producers. During Indian Marketing Year (IMY) 2021/22 (October/September), farmgate prices have remained between 40-50 percent above the MSP, so there has been no MSP procurement by government agencies.

**Figure 1: India, Seed Cotton (Kapas) Price vs Minimum Support Price**

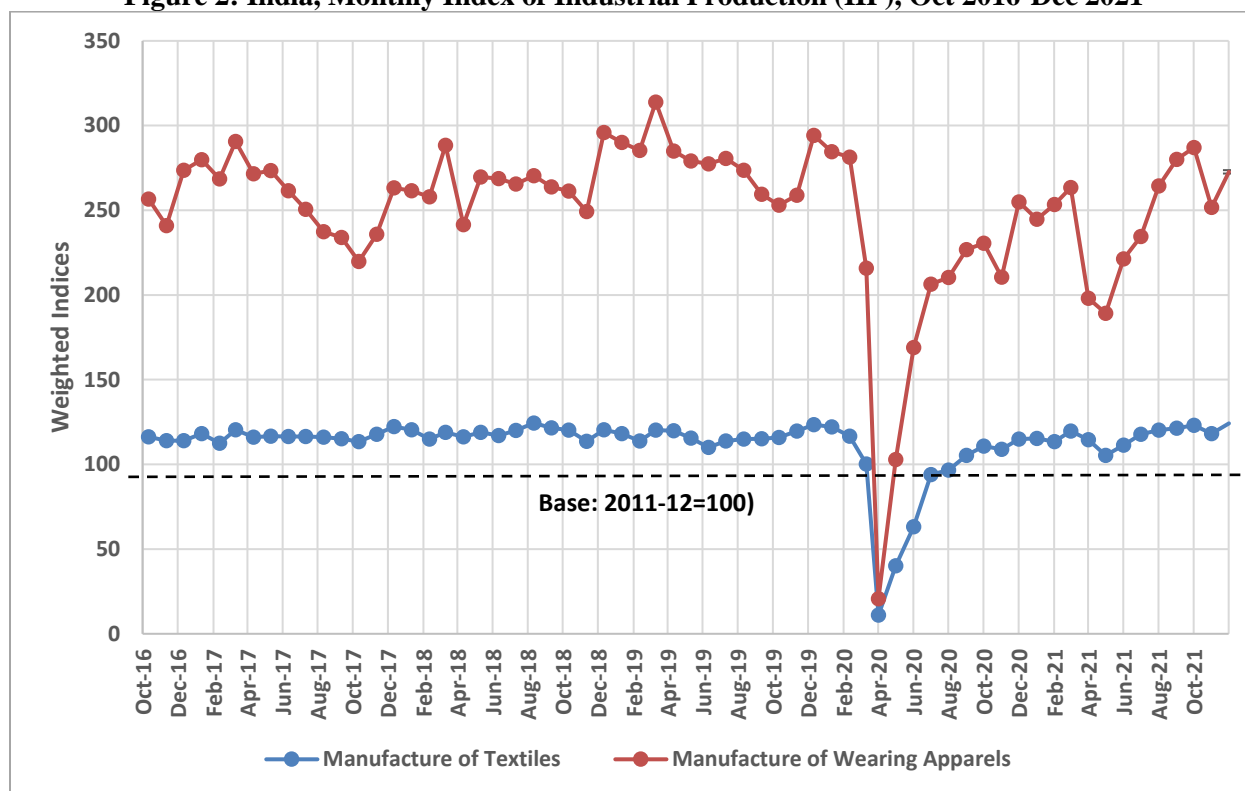


Source: Directorate of Marketing & Inspection (DMI), Ministry of Agriculture and Farmers Welfare, Government of India

### Consumption

Post estimates MY 2022/2023 consumption at 26.8 million (480 lb.) bales (34.3 million 170-kilogram bales/5.8 million metric tons), a marginal increase of 0.4 percent compared to last year. In MY 2021/22, mill consumption was supported by robust textile and apparel exports and strong orders. Mills have reported good margins and are making investments in additional spinning capacity for the long-term. However, the outlook for the remainder of MY 2021/2022 season has become uncertain as trade is concerned with global economic prospects given current geopolitical circumstances. In addition, rising domestic and global fiber prices continue to remain a challenge, as they increase production costs for processors, driving cotton yarn prices to higher levels. Inflation expectations in major cotton-based textile consumer markets is also a factor to consider, which may dampen retail demand in the short to medium term. However, the Indian Rupee has weakened by four percent since January 2022 as surging crude prices fueled worries about the country’s balance of payments. The weakening of the Rupee has provided opportunity for exports of cotton and cotton products, but prevailing high prices are limiting mill purchases for immediate requirements. As of March 10, the Cotlook A-Index has increased by 20 percent since October 2021 (the beginning of the Indian marketing year), while Indian ex-gin prices and domestic cotton yarn prices rose by 33 percent and 18 percent, respectively during the same period.

**Figure 2: India, Monthly Index of Industrial Production (IIP), Oct 2016-Dec 2021**



Source: Ministry of Statistics and Program Implementation, Government of India

In December 2021, the textile sector experienced an eight percent increase in production volume as compared to the same period last year (based on the Index of Industrial Production - [Quick Estimates of IIP December 2021](#)). Similarly, apparel manufacturing witnessed a growth of 6.1 percent as compared to its output last year. Cumulatively (April 2021-December 2022), the production of textiles and apparels have both increased by 41.8 percent and 28.8 percent, respectively, as compared to same period last year. According to IIP estimates, textile manufacturing data indicate that mills are operating at pre-COVID levels, and strong export demand will support healthy margins for mills.

### Organic Cotton

The gradual rise in consumer demand for organic-based apparel is driving manufactures to incorporate organic cotton supplies into their production lines. The United States and Europe are the major markets for organic apparel for Indian textile manufacturers. Organic supplies command a higher price in the market in comparison to non-organic suppliers. The GOI is promoting organic farming in a cluster approach to bring down its costs which is expected to increase returns for farmers through Paramparagat Krishi Vikas Yojana (PKVY).

According to the Indian Ministry of Textiles, the production of organic cotton in India is estimated around 565,000 480-lb. bales/810,934 metric tons (MT) which is 51 percent of global organic cotton production at 1.1 million 480-lb bales/240,000 MT. Post estimates India’s organic production not more than 60,000 MT, less than one percent of total cotton production. Most organic cotton production is concentrated in the states of Madhya Pradesh, Maharashtra, and Odisha. While most countries have developed their own organic standards, Indian mills continue to follow widely accepted, globally

recognized standards - Global Organic Textile Standard (GOTS). According to trade sources, increasing lapses in the chain of custody, and rising cases of false organic certification are hindering the growth of the sector.

**Table 1: India, State Production of Organic Cotton during 2016-21 (in Metric Tons)**

State	2016-17	2017-18	2018-19	2019-20	2020-21
Madhya Pradesh	74,027	82,738	91,926	84,701	383,133
Maharashtra	21,456	33,448	58,423	63,720	168,009
Gujarat	22,365	55,859	51,020	55,899	85,783
Odisha	23,034	58,546	74,002	103,313	106,496
Rajasthan	13,626	15,413	34,033	23,211	59,174
Karnataka	20	579	363	1,152	2,998
Tamil Nadu	-	-	1,790	2,370	3,772
Telangana	439	856	1,317	1,344	1,562
Bihar	-	-	1	1	7
<b>Total</b>	<b>154,966</b>	<b>247,438</b>	<b>312,876</b>	<b>335,712</b>	<b>81,093</b>

Source: Ministry of Textiles, Government of India

### Manmade (MMF) Fiber

While cotton comprises the largest share (70 percent) of fiber in textile mill consumption compared to man-made fiber (30 percent), volatile cotton prices, weak demand, and cheaper man-made fibers are pushing consumption towards more blends and the use of cotton waste (includes low fiber content cotton, cotton droppings, gin motes, comber noil which are all by-products of ginning and yarn processing which offer a cheaper alternative). The MMF industry is viewed as an avenue for growth for the next decade due to the availability of fiber, and capability to treat MMF. Unlike the cotton sector, the MMF sector is a more organized, fully integrated industry.

India is the second largest producer of both polyester and largest producer of viscose globally. According to data from the Textile Commissioner Office (TCO), the production of blended and non-cotton yarn has been growing at the annualized rate of four percent during the past five years. Trade sources indicate that polyester-cotton blends (PC) form the largest share with 50 percent share of blended yarns, followed by polyester-viscose (PV) blends with a 30 percent share. Other major blends include cotton/viscose and polyester-cotton-viscose blends. Trade has identified the limited scope for cotton area expansion and the desired improvement in yields. In addition, the volatility in cotton fiber prices is pushing industry to consider diversification in MMF fibers for their long-term fiber requirements. Recognizing the potential for growth and employment in MMF sector, the GOI announced the inclusion of man-made fibers (MMF) and technical textiles under the Production-Linked Incentive (PLI scheme) that has been established to create “global champions” in MMF apparel and technical textiles to capture substantial share in global trade of these products. The PLI Scheme for textiles is focused on expanding MMF and technical textiles segments of the textiles value chain. The GOI recently set the uniform goods and services tax rate at 12 percent on MMF, MMF yarn, MMF fabrics and apparel. The updated rates became effective on January 1, 2022 and are expected to help the MMF segment grow.

### Marketing

India exports medium-to-long staple cotton (25 to 32 mm length) to China, Bangladesh, and several Southeast Asian countries. India will likely continue to import extra-long staple (ELS) and quality long

staple cotton (28-34 mm) with occasional imports of short-staple cotton (below 24 mm) when international prices are favorable. The United States is the leading supplier of medium to long staple (average staple length of 28 mm) cotton to India over the past few years. The United States is also the leading supplier of Pima cotton (ELS) to India since 2015, surpassing Egypt. Indian mills importing U.S. Pima and upland cotton recognize its quality and consistency and are ready to pay a premium over competing foreign origin supplies. However, U.S. cotton faces competition from suppliers such as Brazil, Egypt, and Australia due to occasional freight advantages and shorter delivery periods. Due to warm weather conditions and cultural traditions, cotton is typically the preferred fiber in India. COVID-19 led to the acceleration of other ongoing lasting trends such as work from home, which led to more online purchases of athleisure and non-dress up items. These items are mostly poly-cotton blends which are gaining popularity due to their durability and ease of maintenance.

## **Trade**

Post forecasts MY 2022/2023 cotton exports at 5.5 million (480-lb.) bales (7 million 170-kilogram bales/1.2 million metric tons). Higher production estimates will leave India with an exportable surplus but limited buyers. Indian ex-gin prices are currently on par with the Cotlook A-Index. However, global, and domestic prices are expected to be lower as major cotton suppliers add higher cotton acreage. Robust mill demand has supported cotton yarn prices that are almost 18 percent higher since October 2021, and 14 percent higher since August 2021.

According to provisional trade data published by the Ministry of Commerce, exports of cotton yarn/fabrics/made-ups and handloom products increased by 60 percent (by value) between April 2021 and February 2022 on a year-on-year basis. Similarly, exports of readymade garments of all textiles were 32 percent higher between April 2021 and February 2022 on a year-on-year basis.

In MY 2021/22, top cotton yarn export markets were Bangladesh, China, Portugal, Turkey, and Peru, while top fabric export markets were Bangladesh, Senegal, Sri Lanka, South Korea, and the United States. Another factor that may lead to higher textile exports is the recently signed free trade agreement (FTA) with the United Arab Emirates (UAE), and sources indicate that this will likely improve textiles export prospects. India is currently engaged in FTA negotiations with the UK, European Union (bloc of 27 European Countries), Australia, and European Free Trade Association (bloc of 4 European Countries), Indian apparels have been facing an average import duty of 9.6 percent in European Union compared to a no duty for similar products exported by Bangladesh, Cambodia, Turkey, and Sri Lanka. The GOI has also approved the continuation of Rebate of State and Central taxes and Levies (ROSCTL) scheme up until March 2024 to boost export competitiveness of Indian apparel and made-ups.

## **Imports**

Post forecasts MY 2022/2023 imports at 1.5 million (480-lb.) bales (1.9 million 170-kilogram bales/327,000 MT). Imports are expected to rise by 50 percent to 1.5 million bales based on the expectation of local traders that the Government of India will reduce or remove the tariff on extra-long staple cotton to help local industry achieve their textile export targets. The GOI has indicated it will create a separate HTS code for extra-long staple (ELS) cotton, that will make ELS imports duty free, and likely raise overall imports. Post estimates that shipments of extra-long staple (ELS) cotton will continue to grow in MY 2022/23, given the strong demand outlook in export markets.



**Extra Long Staple (ELS) Production, Supply and Demand Data Statistics:**

PSD Table - ELS COTTON (1-3/8" or 35mm staple length)			
Units: 480 lbs. bales			
	2020/2021	2021/22	2022/23
Beginning Stocks	86,061	172,765	157,149
Production	171,778	179,586	183,490
Imports	500,533	273,284	351,365
<b>Total Supply</b>	<b>758,372</b>	<b>625,635</b>	<b>692,003</b>
Exports	-	-	-
Domestic Consumption	585,608	468,486	546,567
Ending Stocks	172,765	157,149	145,436
<b>Total Distribution</b>	<b>758,372</b>	<b>625,635</b>	<b>692,003</b>

India's ELS production is expected to rise slightly as farmers shift to higher yielding long and medium-staple varieties with government support. Very few Indian cotton varieties (DCH-32, TCH-213, and Suvin grown mostly in southern India) meet international ELS specifications. The fiber quality and yields of these varieties have deteriorated in recent years causing marketing problems and lower returns to growers. Farmers are increasingly shifting to long staple varieties (Bunny, Brahma, and other 30-34 mm cotton varieties) that have higher yields and fewer quality problems. Efforts to improve the productivity of ELS parent lines have had limited success and there are some early efforts to develop biotech ELS varieties. Some of the cotton produced in India like Suvin (37-39mm), DCH-32 (34-36 mm) and MCU-5 (32.5-33.5 mm) are longest in length and suitable for manufacturing finer yarn. Mostly, 32.5 mm to 36 mm cotton is grown in parts of Tamil Nadu, Karnataka, Madhya Pradesh, and Rajasthan.

**Table 2. Marketing Year Exports of U.S. Pima Cotton to India  
(Quantity in Metric Ton and Value in U.S. \$ Million)**

Area/Partners of Destination And Commodities Exported		August - July Cumulative To Date Quantities								
		2017	2018	2019	2020	2021	Aug - Dec 2021	Aug - Dec 2022	Period/Period % Change (Qty)	
Partner	Product	UOM	Qty	Qty	Qty	Qty	Qty	Qty	Qty	
India	5201002030 - PIMA,ETC,>28.58	MT	46,393.1	34,846.4	38,493.3	25,701.1	42,154.3	16,239.3	12,614.4	-22
Grand Total		MT	46,393.1	34,846.4	38,493.3	25,701.1	42,154.3	16,239.3	12,614.4	-22

Area/Partners of Destination And Commodities Exported		August - July Cumulative To Date Values in Thousands of dollars								
		2017	2018	2019	2020	2021	Aug - Dec 2021	Aug - Dec 2022	Period/Period % Change (Value)	
Partner	Product	Value	Value	Value	Value	Value	Value	Value	Value	
India	5201002030 - PIMA,ETC,>28.58	150,589	116,642	116,656	70,336	120,879	39,560	52,450	33	
Grand Total		150,589	116,642	116,656	70,336	120,879	39,560	52,450	33	

Source: U.S. Census Bureau Trade Data

Post estimates ELS cotton consumption in MY 2022/23 to rise as demand for ELS based textiles remains strong. India's domestic consumption demand for ELS cotton is met through imports. The United States, Egypt, and Israel are the major suppliers of this variety. Imports from the United States have maintained an average 50 percent market share of total ELS cotton imports in India since 2011. According to U.S. trade data, ELS exports from August 2021 to Dec 2022 are 33 percent higher by value, but 22 percent lower by volume as compared to same period last year. Since 2014, U.S. Pima has

maintained an average 27 percent share of total U.S. cotton exports to India. Since the import duty of 11 percent was imposed, the share of PIMA in U.S. cotton imports has more than doubled. This indicates the specific requirements/parameters of international retailers can only be met using specific varieties of ELS cotton. ELS cotton is used to produce quality yarn, fabric, and dress material for a small but growing high-end domestic market segment, in addition for export. Mills are seeking ELS, but only for quantities equal to their export orders. Local mills are increasingly using long staple varieties and blending them with imported ELS cotton for quality yarn and fabric production. Post expects that the recent import duty will marginally impact imports of ELS, so MY 2021/22 import estimates have been reduced by six percent.

### **Textile Sector**

The textile industry is the largest source of employment in the country with over 45 million people employed directly and another 60 million people in allied sectors, including a large number of women and rural populations (70 percent of the workforce in garment manufacturing and 73 percent in handloom). The textile industry contributes 11 percent of the country's industrial output in value terms, 2 percent of India's GDP, and 15 percent of the country's export earnings. The domestic textile and apparel production is estimated at USD \$140 billion including USD \$40 billion of textiles and apparel exports. According to the Ministry of Textiles, the domestic textile industry is valued at USD \$101 billion with apparels (USD \$79 billion), home textiles (USD \$6 billion), and technical textiles (USD \$16 billion) forming the three sectors in the industry. The Indian cotton textile industry is largely unorganized with high production and labor costs. Ageing machinery, inconsistent quality of raw material, and the absence of level playing field for value added cotton products in consumer markets are some of the key challenges faced by the sector. To address these problems, the GOI has introduced various initiatives to make the sector globally competitive, boost exports, and facilitate modernization, thereby increasing productivity and employment.

### **Textile Exports**

The Indian textile sector is the sixth largest exporter of textiles and apparels in the world. The United States is the top market for Indian apparel exports. The GOI is implementing various policy initiatives and schemes for supporting the development of this industry. These schemes and initiatives hope to promote technology upgrades, infrastructure, and skill development to generate better conditions for textile manufacturing in the country. The GOI is implementing various schemes via the Amended Technology Upgradation Fund Scheme (ATUFS), Schemes for the Development of the Powerloom Sector (Power-Tex), Scheme for Integrated Textile Parks (SITP), SAMARTH- the Scheme for Capacity Building in Textile Sector, Jute (ICARE- Improved Cultivation and Advanced Retting Exercise), Integrated Processing Development Scheme (IPDS), Silk Samagra, National Handloom Development Programme, National Handicraft Development Programme, Integrated Wool Development Programme (IWDP), National Technical Textile Mission, and others. . For more details on the schemes please refer – [Press Release - 2021- A Year of Game Changing Reforms for Ministry of Textiles.](#)

**Table 3: India, State Monthly Wholesale Prices for Seed Cotton, March 2022\*\***

State	Prices March 2022**	Prices February 2022	Prices March 2021	Change (Over Previous Month)	Change (Over Previous Year)
Andhra Pradesh	8,971	9,153	-	-2%	-
Gujarat	9,234	9,245	5,963	0%	55%
Haryana	9,291	8,962	5,926	4%	57%
Karnataka	9,340	9,632	5,757	-3%	62%
Madhya Pradesh	9,237	9,599	5,896	-4%	57%
Maharashtra	9,376	9,653	5,856	-3%	60%
Odisha	8,510	9,138	5,615	-7%	52%
Punjab	8,190	8,494	5,973	-4%	37%
Rajasthan	9,823	9,906	6,167	-1%	59%
Tamil Nadu	9,798	9,915	6,458	-1%	52%
Telangana	8,278	9,373	5,881	-12%	41%
<b>AVERAGE</b>	<b>9,095</b>	<b>9,370</b>	<b>5,949</b>	<b>-3%</b>	<b>53%</b>

Source: Directorate of Marketing and Inspection, Ministry of Agriculture and Farmers Welfare, Government of India

Note: \*\*Prices reported for the period from March 01-10, 2022 (India rupees/100 kilograms).

**Table 4: India, State Seed Cotton Arrivals in Market Yards, March 2022\*\* (metric tons)**

State	Market Arrivals March 2022	Market Arrivals March 2021	Change (Over Previous Year)
Andhra Pradesh	519	2,001	-74%
Gujarat	31,005	23,399	33%
Haryana	9,730	1,696	474%
Karnataka	1,188	3,691	-68%
Madhya Pradesh	23,280	11,620	100%
Maharashtra	17,149	15,467	11%
Odisha	510	1,989	-74%
Punjab	2,256	3,638	-38%
Rajasthan	17,985	13,233	36%
Tamil Nadu	248	211	18%
Telangana	21,294	9,338	128%
<b>TOTAL</b>	<b>125,165</b>	<b>86,283</b>	<b>45%</b>

Source: Directorate of Marketing and Inspection, Ministry of Agriculture and Farmers Welfare, Government of India

Note: \*\* Arrivals reported for the period from March 01-10, 2022.

**Table 5: Planting Season, Irrigation & Cotton Type by Major Region**

REGION	STATES	COTTON GROWN	PLANTING SEASON AND IRRIGATION STATUS
North	Punjab, Haryana, Rajasthan	Medium and Short Staple	End April-May/Largely Irrigated
Central	Gujarat, Maharashtra, Madhya Pradesh	Medium and Long Staple	Mid-June-July (after onset of monsoon) /Largely Rain Fed
South	Andhra Pradesh, Karnataka, Tamil Nadu	Long and Extra Long Staple	August-September/ Largely Rain Fed

Note: There is a small cotton crop planted in January and February in South India

**Table 6: India's Production of Spun Yarn (Million Kilogram)**

Year /1	COTTON	BLENDED	100 percent NON-COTTON	TOTAL
<b>1995-96</b>	1,894	395	196	<b>2,485</b>
<b>2000-01</b>	2,267	646	247	<b>3,160</b>
<b>2001-02</b>	2,212	609	280	<b>3,101</b>
<b>2002-03</b>	2,177	585	319	<b>3,081</b>
<b>2003-04</b>	2,121	589	342	<b>3,052</b>
<b>2004-05</b>	2,272	585	366	<b>3,223</b>
<b>2005-06</b>	2,521	588	349	<b>3,458</b>
<b>2006-07</b>	2,824	635	354	<b>3,813</b>
<b>2007-08</b>	2,948	677	378	<b>4,003</b>
<b>2008-09</b>	2,896	655	361	<b>3,912</b>
<b>2009-10</b>	3,079	707	407	<b>4,193</b>
<b>2010-11</b>	3,490	796	426	<b>4,713</b>
<b>2011-12</b>	3,126	789	457	<b>4,373</b>
<b>2012-13</b>	3,583	828	457	<b>4,868</b>
<b>2013-14</b>	3,928	896	485	<b>5,309</b>
<b>2014-15</b>	4,055	920	513	<b>5,488</b>
<b>2015-16</b>	4,138	973	555	<b>5,665</b>
<b>2016-17</b>	4,055	1,032	572	<b>5,667</b>
<b>2017-18</b>	4,064		1,616 /2	<b>5,680</b>
<b>2018-19</b>	4,208		1,682 /2	<b>5,890</b>
<b>2019-20</b>	3,962		1,702 /2	<b>5,664</b>
<b>2020-21</b>	3,625		1,521 /2	<b>5,146</b>
<b>2021-22 (P)</b>			298 /2	<b>974</b>

/1: Indian fiscal year (April-March)

/2: Production of blended and 100 percent non-cotton yarn combined

P: Provisional estimate for April 2021 to May 2021

Source: Textile Commissioner's Office, GOI

**Table 7a: India's Cotton Exports by Month**  
(Figures in 480-lb. Bales)

Month/Year	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Aug	216,479	52,368	67,667	149,979	60,929	265,264	269,321
Sep	271,073	51,837	61,279	75,251	58,557	350,289	215,376
Oct	348,132	40,095	55,260	178,496	89,804	413,196	196,472
Nov	1,016,147	483,486	441,035	510,352	267,334	611,030	501,255
Dec	1,384,492	857,454	806,272	703,660	472,078	555,687	747,819
Jan	770,703	849,534	729,338	538,640	739,317	604,217	578,925
Feb	636,686	609,703	648,821	427,040	442,684	640,625	440,925**
Mar	441,058	548,475	692,948	549,149	281,916	838,634	
Apr	261,954	345,332	642,815	166,511	26,385	617,497	
May	228,307	348,779	444,963	107,904	123,374	536,150	
Jun	133,941	229,114	390,080	48,898	298,085	443,132	
Jul	67,359	103,861	219,316	65,238	341,103	313,669	
<b>TOTAL</b>	<b>5,776,331</b>	<b>4,520,036</b>	<b>5,199,793</b>	<b>3,521,118</b>	<b>3,201,564</b>	<b>6,189,391</b>	

Source: Directorate General of Foreign Trade, Ministry of Commerce, and Industry

\*\*FAS estimate

**Table 7b: India's Cotton Imports by Month**  
(Figures in 480-lb. Bales)

Month/Year	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Aug	138,313	353,584	342,309	119,657	761,216	47,381	61,194
Sep	142,607	634,068	325,246	104,792	424,648	69,024	72,436
Oct	77,924	296,503	66,841	68,161	281,301	48,466	63,301
Nov	40,804	126,823	36,511	44,533	173,402	33,147	37,825
Dec	36,629	85,107	46,696	46,319	97,353	59,683	65,766
Jan	32,785	55,628	56,363	67,528	77,553	105,435	42,430
Feb	35,237	58,495	77,416	66,583	75,050	64,011	52,819**
Mar	75,945	106,972	92,276	118,008	87,491	73,875	
Apr	109,349	125,287	165,789	138,472	67,712	59,672	
May	99,015	244,060	154,902	192,607	89,580	87,479	
Jun	119,357	347,089	169,524	318,896	83,758	105,806	
Jul	164,653	302,226	142,770	514,499	60,886	89,737	
<b>TOTAL</b>	<b>1,072,618</b>	<b>2,735,841</b>	<b>1,676,643</b>	<b>1,800,056</b>	<b>2,279,949</b>	<b>843,717</b>	

Source: Directorate General of Foreign Trade, Ministry of Commerce, and Industry

\*\*FAS estimate

**Table 8a: India's Cotton Export Trade Matrix**  
(Figures in 480-lb. Bales)

2018/19 (Aug/Jul)		2019/20 (Aug/Jul)		2020/21 (Aug/Dec)		2021/22 (Aug/Jan)	
United States	2,260	United States	69	United States	37	United States	46
Bangladesh	1,228,168	Bangladesh	1,904,275	Bangladesh	2,560,527	Bangladesh	1,676,951
Vietnam	1,030,404	China	634,757	China	2,374,227	Vietnam	349,120
Pakistan	531,456	Vietnam	279,188	Vietnam	734,893	China	192,707
China	468,992	Indonesia	190,300	Indonesia	307,696	Indonesia	152,964
Indonesia	70,217	Turkey	65,684	Oman	41,934	Oman	32,560
Thailand	35,715	Iran	20,664	Thailand	41,846	Thailand	29,234
Mauritius	35,113	Thailand	20,347	Turkey	35,315	United Arab Emirates	26,088
Malaysia	25,431	Oman	18,491	Mauritius	14,844	Taiwan	17,462
Taiwan	14,036	Philippines	10,426	Italy	14,422	Italy	6,995
Bahrain	13,728	Taiwan	10,343	Portugal	12,226	Mauritius	4,588
<b>Sub-total</b>	<b>3,453,261</b>	<b>Sub-total</b>	<b>3,154,475</b>	<b>Sub-total</b>	<b>6,137,931</b>	<b>Sub-total</b>	<b>2,488,670</b>
Others	67,856	Others	47,087	Others	51,460	Others	20,498
<b>Total</b>	<b>3,521,118</b>	<b>Total</b>	<b>3,201,562</b>	<b>Total</b>	<b>6,189,391</b>	<b>Total</b>	<b>2,509,168</b>

Source: Directorate General of Foreign Trade, Ministry of Commerce, and Industry

**Table 8b: India's Cotton Import Trade Matrix**  
(Figures in 480-lb. Bales)

2017/18 (Aug/Jul)		2018/19 (Aug/Jul)		2019/20 (Aug/Jul)		2020/21 (Aug/Jan)	
United States	864,437	United States	780,616	United States	1,039,392	United States	130,436
Australia	302,235	Australia	151,825	Cote d'Ivoire	155,518	Australia	112,137
Egypt	122,357	Tanzania	98,785	Brazil	149,547	Egypt	24,853
Burkina Faso	54,849	Egypt	95,309	Egypt	106,300	Cameroon	14,417
Cameroon	49,218	Singapore	86,977	Switzerland	88,070	Greece	10,839
Benin	44,538	Greece	86,977	Mexico	85,232	Israel	8,644
Mali	37,387	Cote d'Ivoire	67,466	Singapore	78,889	Switzerland	6,623
Greece	23,273	Mali	63,098	Australia	65,661	Mali	6,311
Brazil	19,741	Switzerland	50,605	Senegal	52,750	Cote d'Ivoire	5,420
Cote d'Ivoire	19,465	Brazil	48,782	Cameroon	47,004	Turkey	5,020
Singapore	15,148	Netherlands	42,669	Mali	46,894	Brazil	4,547
<b>Sub-total</b>	<b>688,210</b>	<b>Sub-total</b>	<b>792,493</b>	<b>Sub-total</b>	<b>875,864</b>	<b>Sub-total</b>	<b>198,811</b>
Others	988,433	Others	1,007,563	Others	1,404,083	Others	144,141
<b>Total</b>	<b>1,676,643</b>	<b>Total</b>	<b>1,800,056</b>	<b>Total</b>	<b>2,279,947</b>	<b>Total</b>	<b>342,952</b>

Source: Directorate General of Foreign Trade, Ministry of Commerce, and Industry

**Table 9: India's Exports of Textile Products (U.S. \$ Million)  
during Indian Fiscal Year (April-March)**

Item	2015-16	2016-17	2017/18	2018/19	2019/20	2020/21	2021/22 (Apr-Jan)
<b>Fiber</b>							
Manmade Staple Fiber	540	594	587	571	503	373	570
Cotton raw incl. waste	1,939	1,621	1,894	2,104	1,057	1,897	2,320
<i>Sub-total</i>	<i>2,479</i>	<i>2,215</i>	<i>2,481</i>	<i>2,675</i>	<i>1,560</i>	<i>2,270</i>	<i>2,890</i>
<b>Cotton Textiles</b>							
Yarn/Fabric/Made-up	8,874	8,550	8,908	9,843	8,728	8,815	11,363
Readymade Garments	9,092	8,513	8,511	8,695	8,643	6,867	7,079
<i>Sub-total</i>	<i>17,966</i>	<i>17,063</i>	<i>17,419</i>	<i>18,537</i>	<i>17,371</i>	<i>15,682</i>	<i>18,443</i>
<b>Man-made Textiles</b>							
Yarn/Fabric/Made-up	4,622	4,557	4,826	4,981	4,821	3,806	4,605
Readymade garments	4,182	5,036	4,747	3,853	3,506	2,632	2,542
<i>Sub-total</i>	<i>8,803</i>	<i>9,593</i>	<i>9,573</i>	<i>8,833</i>	<i>8,327</i>	<i>6,438</i>	<i>7,147</i>
Wool Textiles (Yarn/Fabric/Made-up/RMG)	459	389	355	418	336	216	258
Silk Textiles (Yarn/Fabric/Made-up/RMG/Carpet)	331	213	213	244	198	147	168
Handloom Products	369	360	356	344	319	223	230
Jute (Yarn/Hessian/Floor Covering/Others)	295	310	335	325	343	109	394
Carpets (excluding Silk) Handmade	1,438	1,481	1,427	1,466	1,353	1,468	1,475
Other Textiles (Yarn/Fabric/Made-up Articles)	336	358	410	458	477	416	527
Other Textiles Material - Readymade garments	3,185	3,463	3,122	3,223	3,065	2,574	2,831
<b>Total Exports</b>	<b>35,660</b>	<b>35,445</b>	<b>35,692</b>	<b>36,523</b>	<b>33,350</b>	<b>29,544</b>	<b>34,362</b>

Statistics exclude exports of fiber & fiber waste (silk/ wool/ jute/ others)

Source: Directorate General of Commercial Intelligence and Statistics, Ministry of Commerce, and Industry

**Table 10: India's Cotton Yarn\* Exports by Month**  
(Figures in thousand Metric Tons)

Month/Year	2015/16	2016-17	2017-18	2018/19	2019/20	2020/21	2021/22
Aug	117	66	79	108	67	92	116
Sep	112	77	99	98	66	93	117
Oct	106	76	98	97	78	86	117
Nov	105	103	111	95	89	87	111
Dec	115	129	116	92	91	91	123
Jan	104	132	87	91	102	82	111
Feb	100	103	95	100	91	82	76**
Mar	112	89	118	117	73	98	
Apr	105	66	106	89	18	89	
May	94	65	109	76	58	101	
Jun	92	78	117	58	96	119	
Jul	75	71	101	59	101	115	
<b>TOTAL</b>	<b>1,237</b>	<b>1,055</b>	<b>1,236</b>	<b>1,080</b>	<b>929</b>	<b>1,135</b>	

\*HS code: 5204, 5205 and 5207

\*\* Provisional estimate, Directorate General of Commercial Intelligence and Statistics, Ministry of Commerce, and Industry  
Source: Directorate General of Foreign Trade, Ministry of Commerce

**Table 11: India's Cotton Fabric\* Exports by Month**  
(Figures in thousand square meters)

Month/Year	2015-16	2016-17	2017-18	2018-19	2019/20	2020/21	2021/22
Aug	101,609	113,364	107,497	147,673	150,882	147,156	209,534
Sep	104,032	104,666	123,688	126,498	139,365	155,853	4,476,034
Oct	117,744	105,449	109,769	142,260	146,139	160,755	375,381
Nov	95,225	87,711	118,256	119,215	126,143	144,515	164,654
Dec	121,134	112,030	132,635	132,049	142,892	163,571	206,317
Jan	116,656	107,852	125,493	136,899	140,226	152,862	185,427
Feb	107,487	110,875	113,399	135,495	148,992	146,373	
Mar	120,461	113,507	133,927	162,676	121,661	155,698	
Apr	109,535	94,383	114,876	126,031	21,311	174,188	
May	103,373	89,117	119,821	141,129	69,665	144,628	
Jun	97,043	93,410	122,381	131,507	127,795	3,287,229	
Jul	98,914	94,399	113,614	140,699	154,068	184,543	
<b>TOTAL</b>	<b>1,293,214</b>	<b>1,226,764</b>	<b>1,435,355</b>	<b>1,642,132</b>	<b>1,489,140</b>	<b>5,017,370</b>	

\*HS code: 5208 and 5209

Source: Directorate General of Foreign Trade, Ministry of Commerce, and Industry

**Attachments:**

No Attachments