

Cotton output estimate revised

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COIMBATORE: Cotton production this year (October 2014 to September 2015) is expected to be 390 lakh bales, which is 10 lakh bales less than the earlier estimate of 400 lakh bales.

The Consultative Committee of the Cotton Advisory Board, which met in Mumbai on Tuesday, has revised the cotton balance sheet estimates for this season. It has estimated cotton production this year to be 390 lakh bales, consumption by textile mills to be 278.5 lakh bales, exports to be 70 lakh bales (as against the earlier estimate of 90 lakh bales) and imports to be eight lakh bales. The board had met earlier in October last when the season just commenced.

Industry sources said that domestic consumption of cotton by textile mills was increasing though exports were not high. Garment exports had improved and, hence, the demand was up across the value chain.

In the case of cotton exports, a decline was expected since for a specific period, prices of Indian cotton were higher than international prices. Now, the prices are

competitive and, hence, exports were expected to revive, the sources added.

The price of Shankar 6 variety of cotton on Tuesday was Rs.32,600 a candy. In the second week of October last year it was Rs.34,000 a candy. The sources said that the cotton price had slumped to about 30,500 a candy and had moved up and stabilised during the last few weeks.

About 80 to 85 lakh bales of the expected production were yet to arrive to the market this year. So far this season, the Cotton Corporation of India had purchased about 85 lakh bales of cotton. The CCI should ensure that cotton is available for sales till the end of the season and the small and medium-scale mills benefit from its sales, the sources said.

BULLION RATES

March 31 rates in rupees with previous rates in brackets

Chennai	
Bar Silver (1 kg)	37,390 (38,065)
Retail (1 g)	40.00 (40.70)
24 ct gold (10 g)	26,540 (26,680)
22 ct gold (1 g)	2,481 (2,495)
Delhi	
Silver	37,200 (38,000)
Standard gold	26,575 (26,690)
Sovereign	23,700 (23,700)