

Standing Committee Report Summary

Development of Cotton Sector

- The Standing Committee on Labour, Textiles and Skill Development (Chair: Mr. Bhartruhari Mahtab) presented its report on ‘Development of Cotton Sector’ on February 7, 2024. Key observations and recommendations of the Committee include:
- **Low productivity of cotton:** Cotton productivity in India is about 447 kg per hectare, significantly lower than other cotton producing countries such as Brazil (1,830 kg/hectare) and the US (1,065 kg/hectare). The Committee identified several factors that lead to sub-optimal production. About 67% of Indian cotton is dependent on rainfall, which makes it vulnerable to frequent weather changes. In areas where the crop is irrigated, irrigation depends on the release of the canal water, and not as per crop needs. The Committee suggested taking sustainable steps to bring more cotton cultivation area under irrigation, and that irrigation must gradually be made demand driven.
- The Committee noted that the low productivity issue is exacerbated as cotton is grown continuously without crop rotation or residue management. This causes soil health deterioration. It recommended that newer farming techniques be developed, campaigns for crop health and pest eradication be conducted, and demonstration of best practices be held.
- **Outdated seed varieties resulting in low productivity:** The Committee also noted that the seed technology in use is outdated, and that there is an urgent need for new variety of seeds. Countries with high cotton yield such as Mexico have completely adopted genetically modified seeds with Bt+ herbicide tolerant traits. It recommended that the Ministry augment the development of early maturing and hybrid seeds that suit Indian needs. The Central Institute for Cotton Research, Nagpur has suggested that early maturing Bt and non-Bt varieties can be used in 20% of the cotton area where long duration Bt hybrid seeds are used. The Committee noted that these seed varieties will need to be protected by the Protection of Plant Varieties and Farmers’ Rights Authority, to encourage private participation in their development.
- **Use of certain seeds is expensive for farmers:** Currently Bt cotton hybrid seeds are mostly produced by the private sector. Buying these seeds each year significantly adds to the debt of farmers. The Committee recommended that farmers must be financially supported to procure quality seeds and adopt best farming practices. It also recommended that the Ministry of Textiles and the Ministry of Agriculture and Farmers’ Welfare should levy price caps and provide impetus to seed development.
- **Development of high-quality variants:** Extra-long staple cotton is the most sought-after variety owing to its high quality. Domestic production of this variety does not meet the domestic demand. The Committee suggested that seeds which exhibit tolerance to droughts and arid regions, and have resistance to pests and diseases should be developed. In addition, cutting edge techniques of drip fertigation (using fertilisers in the drip irrigation system) should also be adopted. The Committee noted that partnership with the private sector in all spheres of cotton development as a viable option.
- **Cotton trade and MSP:** The Committee observed that an import duty on cotton made it more expensive for the textile industry, and made it less competitive. However, import duty exemptions lead to an inflow of cheap cotton. In the absence of assured procurement at remunerative prices this could add to the burden of farmers. The Committee suggested that the central government carry out assured procurement at prices at least 1.5 times the cost of production. It also recommended that the government should not forgo import duty revenue. Currently, the Commission for Agricultural Costs and Prices recommends an MSP for cotton 1.5 times the A2+Fl production cost. A2+Fl cost includes input cost and the cost of family labour.
- **Awareness campaigns:** The Cotton Corporation of India has developed an app called Cott-Ally to increase farmer awareness in regional languages. It provides information in regional languages. The Committee suggested that the app should also provide information like the sale of cotton seed, market trends and demand, and aspects related to quality of cotton. The app may also be used to disseminate information on how to avoid middlemen and directly access the market.

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