

Cotton consumption expected to decline

Special Correspondent

COIMBATORE: Cotton consumption this year (October 2011 to September 2012) is expected to be 230 lakh bales. In August this year, Cotton Advisory Board (CAB) estimated cotton consumption to be 281 lakh bales. However,

the estimate was revised by the board at a meeting in Mumbai on Tuesday as yarn production and cotton consumption by the domestic textile mills had come down. D. K. Nair, Secretary General of Confederation of Indian Textile Industry, said mills usually consumed about 20

lakh bales of cotton a month. It had declined to nearly 17 lakh bales now.

“Yarn production is coming down and there is no indication of immediate recovery,” he said.

The CAB estimated cotton production this year to be 356 lakh bales, consumption 230

lakh bales, exports 80 lakh bales and closing stock 78.5 lakh bales.

Mr. Nair said cotton prices for most varieties were 30-35 per cent above the minimum support price now. Prices were expected to decline by 10-15 per cent as the demand was low.