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Ginners oppose cotton imports from India

KARACHI: The Pakistan Cotton Ginners Association (PCGA) on Saturday strongly opposed cotton imports from India, maintaining that the move would discourage local growers from sowing this cash crop.

Growers, ginners, spinners and cotton brokers are actively supporting the government's decision of not allowing cotton imports from India despite the Economic Coordination Committee approval.

Talking to Dawn, PCGA Chairman Dr Jesu Mal said that if Indian cotton imports are allowed, growers will not go for sowing of cotton for this season. Cotton sowing has already begun in Sindh and will start soon in Punjab.

"Due to no research on cotton seeds, poor pesticides and high cost of fertilisers, cotton yield fell to nine maund per acre during the season ended with just 5.5 million bales — almost one third of the production we achieved with 14.8m bales a few years ago," he said.

The recent yields are around 16 maund per acre which has been sharply declining as the government has largely neglected the most important cash crop which helped earn over 60 per cent export proceeds, Mr Mal said.

Commenting on the cost of cotton production, he said in India it was Rs20,000 (equal to Pak rupee) per acre compared to Rs50,000 in Pakistan. Furthermore, the Indian government buys cotton if the price falls below minimum rate, he said.

"The Indian government is offering cotton from its stocks. It is not in the hands of farmers or ginners," Mr Mal said while demanding minimum support price on the lines of wheat and sugarcane for cotton.

"We are not supported by the government because 85pc farmers have just 12 acres of land. Small farmers have no lobby in Islamabad to get protection," he said.

Meanwhile, talking to Dawn, cotton brokers said that India was not offering lint at low prices and instead was quoting 80 to 81 cent per pound which is the same as international price. High quality US cotton is currently available at 84 to 85 cent per pound, brokers said.

"The government's decision not to import cotton from India has not changed the prevailing cotton price in the country. The import of cotton, if allowed, will not change the prices," said Mr Nasim Usman, the chairman of Karachi Cotton Brokers Forum.

At this time when sowing is beginning in Sindh and Punjab, import of Indian cotton could disappoint local farmers and a major shift could take place. The farmers would leave cotton and opt for sowing sugarcane, maize and other crops since the previous year was damaging for growers due to untimely rain, pest attack and poor yield, Mr Usman explained.

The spinners were already against the import of cotton and cotton yarn from India.

In a recent statement, Chairman All Pakistan Textile Mills Association, Sindh & Balochistan Zone Asif Inam opposed any kind of import from India unless and until the existing disputes are not settled. He strongly opposed the idea for import of cotton yarn from India that could cripple the local spinning industry.

Meanwhile, the value-added sector expressed its disappointment and claimed that exporters would not be able to fulfill international orders. The sector also warned that the exports may not achieve the target due scarcity of the cotton yarn. However, local yarn producers deny the shortage of this raw material in the country.