

**CAI President,**  
**Shri Dhiren N. Sheth's**  
Speech  
at  
**COTTON INDIA 2015-16,**  
Inaugural Session

Distinguished Delegates, Dear Guests and my Fellow Colleagues,

On behalf of all my colleagues on the Board of Directors of the CAI and on my own behalf, I extend a hearty welcome to you all at the COTTON INDIA 2015-16 summit. I am indeed indebted to each one of you for acceding to my request and sparing your invaluable time to travel long distances to attend this conference. I am humbled by the fact that delegates from 12 countries have spared their valuable time to be present here in spite of a very short notice.

I want to make an announcement today that our COTTON INDIA 2016-17 will be held in December 2016 in Mumbai. The venue and other details will be announced soon. This will give you adequate time to plan your itinerary. Due to the 74<sup>th</sup> Plenary meeting of ICAC which was held in Mumbai on 6<sup>th</sup> -11<sup>th</sup> December, we decided to give up our original slot. However, from this year

onwards, we shall be back to our original slot and hold COTTON INDIA 2016-17 in the first week of December 2016 in Mumbai.

We have consciously chosen Goa as the place for this summit. Popularly known as Rome of the East, Goa has a rich cultural and historical background and it is a famous tourist spot well known for its beautiful beaches, places of worship and world heritage architecture. It also has rich flora and fauna, owing to its location on the Western Ghats range, which is classified as a biodiversity hotspot. We hope you all will enjoy your stay here.

Like I said at our COTTON INDIA 2014 conference, our plan is to make COTTON INDIA the international cotton event of the year for the Indian sub-continent with larger participation from Pakistan, Bangladesh, Afghanistan, Nepal, Bhutan and Sri Lanka. I recognise and heartily welcome our delegates from Pakistan, who despite having to face a lot of obstacles remained strong in their resolve to attend this conference.

Friends, undoubtedly, it was a proud moment for us when India surpassed China to become the world's largest producer of cotton during last year. However, this happy occasion was somewhat marred by the situation of a supply glut emerging globally. Prices witnessed a depressing trend. Our country went through a massive support price operation. The Government agencies procured about 9.3 million bales under the Minimum Support Price operations. There was a sharp decline in India's performance on the cotton export front and it could only export about 6 million bales during 2014-15 as against 12.6 million bales exported during

the previous cotton season. Eventually, India witnessed one of the largest closing stocks in its history at the close of the 2014-15 cotton season. The current 2015-16 cotton season has also witnessed a depressing international price trend thus far. However, Indian Rupee prices have improved recently.

India has the largest acreage under cotton in the world. About 1/3<sup>rd</sup> of the world's total cotton acreage is in India. In 2013-14, the acreage under cotton in India was 11.9 million hectares. It went up by about 8% to 12.8 million hectares during 2014-15. However, during 2015-16, the acreage under cotton in India dipped to 11.9 million hectares on account of lower realisation of value by cotton farmers during 2014-15 compared to other competing crops. However, with the focus now shifting on producing more and more food crops, there is hardly any scope for further expansion of acreage of cotton in India. Naturally therefore the thrust has to be on increasing productivity. Though India has made significant progress in terms of productivity, the level is well below the world average. India has tremendous potential and the need of the hour is to exploit the same to optimise productivity.

One of the main reasons behind this sub-optimal productivity of cotton in India is the slow pace at which the country embraces new technology.

Globally, the demand for cotton compared to polyester and other manmade fibres is shrinking day by day. Several countries have embarked on demand enhancement programmes. It is imperative that we all learn from each other's experiences and discuss ways to arrest this declining trend or else there will be a

day when cotton will become nothing more than a niche segment product. What a sad day that would be for all of us!

During the next two days, our eminent speakers will dwell on the critical issues and challenges facing the cotton fraternity the world over. I assure you that we shall make our best effort to implement the suggestions emerging from this summit.

I once again thank each one of you.

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