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Publish Arbitral Awards

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EXPERT's Column

Dr. Terry Townsend

The focus of the cotton industry on issues associated with contract sanctity waxes and wanes with market conditions. In periods of price volatility, contract defaults increase and concerns about the arbitral process become acute. Conversely, during periods of price stability, contract defaults fall in number, and industry participants tend to become sanguine about adherence to good trading practices. The cotton market has been in a period of exceptional price stability since March 2014 when China stopped accumulating cotton in its state reserve. Accordingly, the number of arbitrations performed by the International Cotton Association (ICA) declined during 2015 and so far in 2016, and the number of firms having failed to fulfill valid arbitral awards (the default list) shrunk from 722 in May 2015 to 697 as of May 2016. And, what was once a white-hot preoccupation with defaults on contracts in 2012-2014 has mellowed into a resigned acceptance of all-to-customary business practices in 2016.

As of May 12, 2016, China, Bangladesh and India took "top honours" in the rankings with approximately 90 firms from each country included on the list of unfulfilled awards. About 50 firms from both Pakistan and Brazil were included, and 37 each from Indonesia and Vietnam. Thailand, Greece and Turkey rounded out the top ten, with between 22 and 29 firms from each country on the list. Tanzania, Mexico, USA, Switzerland and Portugal each had between 10 and 19 firms on the list, and 45 other countries accounted for 96 firms.

Between May 2015 and May 2016, the number of firms having failed to fulfill valid arbitral awards dropped by 25. However, 19 new firms were added during the past year, meaning that of the firms listed one year ago, 44 have been removed. (All calculations are unofficial tallies by the author).

A decline in the total number of firms on the list of those having not fulfilled arbitral awards is obviously welcome. Nevertheless, there are ominous indicators buried within the overall total. Despite the lack of normal price volatility over the last two years, there were still 19 new firms added to the list since May 2015. Five companies in Pakistan and four each in China and India were listed during the last year, along with six from five other countries. That any companies are still defaulting on contracts and failing to honour valid international arbitral awards during a period of flat prices indicates that companies continue to regard the concept of contract sanctity as an option, rather than an obligation.

Number of Firms in Each Country That Have Not Fullfilled Valid International Arbitral Awards

	12-May-16	12-May-16	12-May-16
	No. of firms	fraction of the total	Cumulative fraction
China	94	0.13	0.13
Bangladesh	93	0.13	0.27
India	91	0.13	0.40
Pakistan	54	0.08	0.48
Brazil	53	0.08	0.55
Indonesia	37	0.05	0.61
Vietnam	37	0.05	0.66
Thailand	28	0.04	0.70
Greece	25	0.04	0.74
Turkey	22	0.03	0.77
Tanzania	19	0.03	0.79
Mexico	15	0.02	0.82
USA	12	0.02	0.83
Switzerland	11	0.02	0.85
Portugal	10	0.01	0.86
45 others	96	0.14	1.00
Total	697		

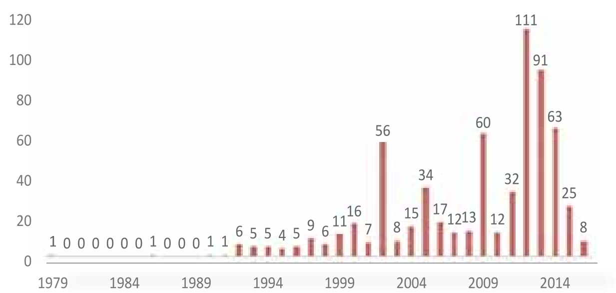
Furthermore, even though the list is shorter in May 2016 than it was in May 2015, the list still numbers nearly 700, of which 402 have been added just during 2009 to 2016. (There are 62 firms with listing dates that are not published because the listing arbitral body was other than the ICA. Many of those firms have also been added since 2009.) The oldest listing is of a firm from Lisbon with a date of May 2, 1979, 37 years ago. Therefore, 63% of all listings whose dates are reported have been recorded in just the last eight years that account for 22% of the total span of the list of unfulfilled awards. This indicates that although the issues associated with contract defaults have subsided with the stability in prices, they have not been solved. Price volatility will return to the market sometime, and when it does the practice of defaulting on contracts to evade the financial consequences of disadvantageous price movements will resume, probably with a vengeance. Just as defaults surged as a result of the volatility in prices during 2010/11, so will defaults resume when volatility resumes.

As noted in an article published by the Cotton Association of India, a year ago, "Contract Sanctity" has been a bedrock principle underlying international trade in cotton since at least 1882 when the Liverpool Cotton Association, now the International Cotton Association (ICA), was formed. By rule, there is no recognition of force majeure in contracts written under the Bylaws & Rules of the ICA; every contract must be performed or settled through a process of invoicing back. In cases of dispute, parties may request arbitration under the rules of the ICA, with the understanding that valid arbitral awards are to be fulfilled. Parties who do not fulfill arbitral awards are reported to the ICA for public listing. For decades, inclusion on the list of unfulfilled awards was a source of shame, automatically resulting in ostracism from polite company, and was usually associated with bankruptcy and an inability to continue to operate normally within the world cotton industry.

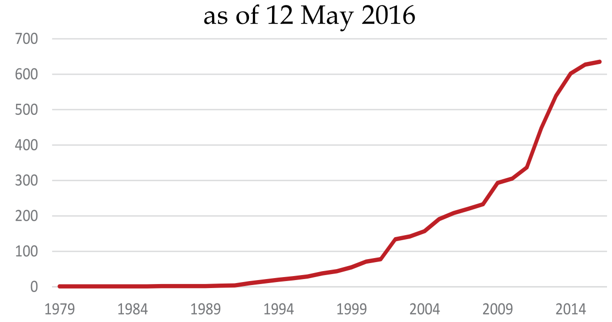
However, data on mill use in importing countries with large numbers of firms who have not fulfilled arbitral awards indicates that inclusion on the list of unfulfilled awards today does not impede an ability to participate in the international cotton trade. Some of the largest firms in Bangladesh, Indonesia, Vietnam and Thailand are listed, including government owned mills in several countries. It is obvious that companies are defaulting on arbitral awards even thought they are not technically bankrupt and remain in business. If inclusion in the ICA list of unfulfilled awards carries economic consequences or impedes the ability to import cotton, those consequences are not apparent in import and mill use data.

This does not mean that the default list has no value. The removal of 44 companies from the list in

Unfullfilled Awards
By Listing Date as of 12 May 2016



Cummulative Unfulfilled Awards
as of 12 May 2016



the past year, representing 6% of the firms listed one year ago, indicates that many firms wish to remain off the list and in good standing within the global cotton community. Nevertheless, the addition of 19 firms in the past year, coupled with the growth in cotton use in countries with large numbers of firms on the list of unfulfilled awards, indicates that inclusion on the list does not carry the stigma of shame formerly associated with defaults on contracts.

Efforts to Encourage Good Trading Practices

The ICA has been working for decades to improve contract fulfillment through a three-pronged strategy of inclusion, education and enforcement.

The ICA has expanded its general membership and its Board of Directors to include industry leaders from around the world, including representatives of spinning industries in countries with growing cotton and cotton textile industries. No one can credibly claim that the ICA is a merchant-dominated, Liverpool-centric organisation any longer.

ICA officers and staff conduct seminars in Liverpool and around the world, they recruit and train arbitrators, including many based outside Liverpool, they write articles, give speeches, and talk with industry participants one-on-one. No one can credibly claim that the ICA Bylaws and Rules are difficult to understand.

The ICA, in cooperation with the International Cotton Advisory Committee, engages governments at the diplomatic and ministerial level to enable enforcement of valid international arbitral awards consistent with the principles of the New York Convention of 1958. The ICA has expanded its capacity to identify offending firms who attempt to disguise their identities through relicensing or false naming of companies and to identify member firms of the ICA, who are trading with illicit firms in violation of ICA rules. The ICA has created a 'Safe Trading' tab on its web site to enable members to verify the legitimate identities of potential counterparties. The ICA has also formed focus groups in the eight countries with the most severe enforcement issues where lawyers provide legal advice to ICA members. However, enforcement measures, especially those involving court procedures, are inherently lengthy.

The ICA recently added a fourth prong to its strategy of reducing defaults by accepting the principle of mediation. Mediation is a process in which a neutral mediator assists both parties to a dispute in trying to reach an amicable settlement. If a dispute cannot be mediated amicably to the satisfaction of both parties, then arbitration is still available under the ICA Bylaws and Rules.

And in addition to all that, the ICA has taken and is taking important steps to improve the quality and consistency of written awards by appointing a rotating panel of ten senior arbitrators to serve as chairs of each arbitral panel. The ICA is in the process of implementing new rules governing the selection of arbitrators to dispel concerns about conflict of interest. When the new rules are implemented, any individual arbitrator will not be able to act for a party or related party more than three times in any calendar year and will not be able to serve on more than eight open cases at a time. Arbitrators are now required to complete a conflict of interest check. The ICA is working to recruit more spinners to serve as arbitrators and to encourage all parties to an arbitration to avail themselves of qualified guidance from experienced arbitrators in preparing their documentation.

Transparency Needed

Despite vigorous efforts at inclusion, education, and enforcement, the use of mediation, and steps to improve the quality and consistency of written awards, there were still 19 companies added to the list of those failing to fulfill valid arbitral awards between May 2015 and May 2016, and there were hundreds of firms on the list who apparently operate without penalty within the structure of the world cotton industry. One more step the ICA could take would be to increase the transparency of awards, and therefore the fulfillment of awards, by publishing arbitral awards.

The ICA arbitral process is characterised by the objectivity of its rules, impartiality in the application of those rules, and the integrity of arbitrators. Nevertheless, objectivity, impartiality and integrity are not the same as transparency. Moreover, transparency would contribute to increased fulfillment of awards by reducing the ability of parties who choose not to perform awards to shift blame by telling stories.

One reason that arbitral awards in the cotton industry often go unperformed, is because they are unpublished, and thus unknown to all but the parties involved. When awards go unpublished, each respondent is free to provide whatever self-promoting set of facts or beneficial interpretations they wish, and everyone who fails to fulfill an award always has a story. Every respondent claims to be a victim of bias, or unfairness, or illogical interpretation of the rules, or unavoidable tragedy, or scheming and manipulation by someone. In the history of the cotton industry, it is doubtful that anyone ever admitted that they defaulted on a contract and the subsequent arbitral award because it was in their financial self interest to avoid the consequences of a poor decision.

Because awards are never published, industry participants cannot know the facts or the logic behind an award, or whether relevant facts and the resulting award were consistent with previous awards, or whether an individual award is consistent with good trading practices and ICA Rules. When awards are not published, members of industry cannot know whether a competitor has gained an advantage by flouting rules or making up facts. Consequently, because awards are unpublished, those who fail to fulfill them are able to shift responsibility in order to avoid accountability. And, without accountability, there is less peer pressure to perform contracts and fulfill arbitral awards. This is partially why, despite two years of stable prices, companies are still being added to the list of those who have not fulfilled arbitral awards.

Further, over time, clusters of issues tend to develop with similar patterns of fact, and while cases may not be identical, they often contain common elements. If awards were published, those common elements would be illuminated, and problematic behavior could be better understood and situations that constitute potential peril could be better recognised by all. If awards were published, counterparties would know, not only who is on the list of those who have not fulfilled arbitral awards, but why they are on the list, and knowing why a potential counterparty is on the list of unfulfilled awards will enable better judgments as to creditworthiness and will facilitate the application of peer pressure, or moral suasion, to fulfill awards.

In conclusion, the ICA needs to find a way to begin publishing awards so as to increase transparency and thus, accountability. The principle of contract sanctity is a basic underpinning of the world cotton trading system. The alternative to the current trading rules, a world without contract fulfillment, would be characterised by greater risk and higher costs for all, to the ultimate detriment of the industry as a whole.

A lesson of recent years is that inclusion, education, and enforcement, along with mediation and improvements to the arbitral process, are necessary but not sufficient strategies to ensure respect for the principle of contract sanctity. In addition to strategies already being pursued, the ICA needs to enhance efforts at increased transparency so as to enhance accountability and bring moral suasion to bear on those who would otherwise evade contract obligations.

(The views expressed in this column are of the author and not that of Cotton Association of India)

World Cotton Prices

Monthly Average Cotlook A Index (FE) from 2011-12 onwards

(Cotlook Index in US Cents per lb.)

	2011-12	2012-13	2013-14	2014-15	2015-16
August	114.10	84.40	92.71	74.00	71.82
September	116.86	84.15	90.09	73.38	68.74
October	110.61	82.00	89.35	70.34	69.03
November	104.68	80.87	84.65	67.53	69.22
December	95.45	83.37	87.49	68.30	70.39
January	101.11	85.51	90.96	67.35	68.75
February	100.75	89.71	94.05	69.84	66.57
March	99.50	94.45	96.95	69.35	68.73
April	99.94	92.68	94.20	71.70	
May	88.53	92.70	92.71	72.89	
June	82.18	93.08	90.90	72.35	
July	83.97	92.62	83.84	72.35	

Source: Cotton Outlook

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SAGA OF THE COTTON EXCHANGE

By Madhoo Pavaskar

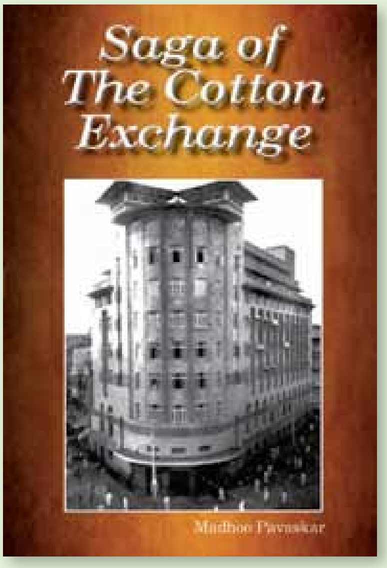
Chapter 9

Struggle For Survival

(Contd. from Issue No.7 dtd. 17th May 2016)

A New Threat

Actually, while the abolition of statutory price controls marked the beginning of return to free trade in cotton, paradoxically the treat to free market mechanism in the commodity emerged almost simultaneously. To present the facts chronologically, it was on February 5, 1966, that the government declared its intention to enter the cotton market for purchase of Bengal Deshi through the State Trading Corporation, since the prices of this variety had dropped to about 15 per cent below the statutory ceiling price in view of the larger-than-expected crop on the one hand and the poor export demand from mainly Japan on the other. During that year, the State Trading Corporation weighed through its nominees around 38,000 bales of Bengal Deshi.



About the same time, the government issued a Press Note announcing proposal for establishing an agency called the "Cotton Buffer Stock Association". In June 1966, the Union Ministry of Commerce even prepared a draft Memorandum and Articles of Association for the formation of "Cotton Corporation of India Ltd", with an authorised capital of Rs 5 crores and paid up capital of Rs 1 crore to be divided in equal proportions between the Indian Cotton Mills' Federation, the East Indian Cotton Association, The State Trading Corporation and the Growers' Cooperatives. Though the Corporation was proposed ostensibly to act as a buffer stock agency, it was sought to be empowered to operate in both the domestic and international markets, and its proposed activities covered import, export, internal trade as well as distribution of raw cotton. Sensing that the Corporation had the potentiality of becoming a completely monopolistic organisation, and would eventually eliminate competitive trade to the detriment of growers, industry and the economy, the East Indian Cotton Associating conveyed to the government on August 6, 1966 its strong opposition to the formation of such a body.

On August 8, 1966, the then Union Minister of Commerce, Mr. Manubhai Shah, Informed the Lok Sabha that the government might canalise imports of foreign cotton through a state agency. It appeared that the proposal for the formation of the Cotton Corporation of India as a buffer stock agency was shelved. This was not surprising, since it would have been impossible for any agency-government or otherwise- to build buffer stocks under conditions of short supply. The government therefore seems to have turned its attention instead to canalisation both imports of foreign cotton, though in the same breath Mr. Manubhai Shah clarified that "nationalisation of foreign trade as a creed has never been acceptable to government". Of course, he did not disclose any reasons for the proposed canalisation of cotton imports.

In a memorandum addressed to the government on August 23, 1966, the East Indian Cotton Association submitted: "we do not think that a State agency may be able to do better than the importers in competitive buying and supplying the mills with cotton to match their exacting needs. On the other hand, centralised purchasing is more likely to create problems of distribution, raise the cost of imports and likely to lead to heavy losses. The purchases through importers are spread over a period of time and shipments are staggered according to requirements making it possible to secure most competitive prices, which may not be possible in bulk purchases which may not remain secret. Any error of judgement in bulk purchase may cost the country considerably in foreign exchange."

Fortunately, for the cotton trade, the disastrous cotton season of 1966-67 did not allow the government to proceed with any of its plans immediately. Nevertheless, even though it abolished price controls at the end of that season, the government learned little from its sad experience of requisitioning not more than 100,000 bales in that year. In October 1967, it appointed a Buffer Stock Sub-Committee to consider once again the question of buffer stock operations for cotton in all its aspects. Both the East Indian Cotton Association and the Indian Cotton Mills' Federation brought to the notice of the Committee that since there was no surplus cotton in the country which could be taken in the buffer without upsetting the price trend, "there is no case for creating a buffer stock and thus immobilising a portion of the inadequate supply."

While the buffer stock sub-committee was unable to arrive at any unanimous decision, on August 31, 1969, an announcement was made in the Parliament by the then Union Minister for Foreign Trade and Supply, Mr. B.R. Bhagat, to canalise imports of foreign cotton through a public sector agency from the season 1970-71. Soon thereafter, a "Committee on Public Sector Agency for Cotton" was appointed by the government to prepare a scheme for canalisation of cotton imports.

While the threat of buffer stock scheme and canalisation of cotton imports was looming large over the cotton trade, at its session held in Bombay on December 28-29, 1969, the All-India Congress Committee of the ruling Congress Party adopted an economic policy resolution recommending to the government that "in order to assure to the producer economic and remunerative prices even in the context of greater production and to avoid exploitation of the producer and consumer by middlemen, wholesale trade procurement of major agricultural commodities should be done in the public sector and forward trading of all agricultural produce should be immediately banned". The Congress Committee also called upon the government "to complete expeditiously the programme of bringing the bulk of the import trade into the State sector" and to further take steps "to enable the public sector to play a predominant role in the export trade."

By adopting this resolution, the All India Congress Committee dropped a veritable bombshell on the cotton trade. After all, since the public sector was already involved in the foodgrain procurement as also in the import trade of foodgrains, the procurement as also in the import trade of foodgrains, the Congress resolution was obviously aimed at taking over the wholesale trade mainly in cotton. The resolution unnerved the entire cotton trade in the country, as its very survival was now at stake.

Close on the heels of the Congress resolution, Mr. Y.J. Mohite, the then Minister for Co-operation in Maharashtra state, brought out a White Paper on April 16, 1970, in which he proposed a scheme for 'monopoly purchase' of kapas (unginned cotton) by the Government of Maharashtra through the Maharashtra State Co-operative Marketing Federation. The announcement of the scheme was the last straw on the back of the cotton trade, since it sounded the death-knell of free trade in cotton in Maharashtra.

Struggle for Survival

For more than a decade after the exit of Sir Purshotamdas Thakurdas from the East Indian Cotton Association, the cotton trade under the quiet and sober leadership of Mr. Madanmohan Ruia had adopted a policy of constructive co-operation with the Central and State governments in implementation of their diverse policies, many of which had frequently hurt rather than helped the trade. In the changed economic and political context, the trade was aware of its social obligations and preferred to adhere to the discipline imposed by the government. 'Option' trading was banned long age. The trade had lost the 'futures' market. Even the delivery contracts were put in a strait-jacket. The Reserve Bank of India was tightening its screw on the selective credit controls in cotton year after year. Advances to trade against cotton and kapas were reduced to barely 25 per cent. Export and import trade in cotton was already regulated by quota and licensing system.

King Cotton was under a severe strain. He had lost his crown and the throne. Even his freedom was restricted. But now when the government posed a threat from all sides to his very 'spot' existence, he had little alternative but to fight with his back to the wall. Consequently, on April 30, 1970, a special meeting was convened by the Board of the East Indian Cotton Association, to which Presidents of up-country cotton trade associations and several other prominent cotton merchants were invited. The meeting decided to hold an All-India Cotton Conference in Delhi to enlighten the public and the authorities on the useful role played by cotton merchants in marketing cotton.

Accordingly, an All-India Cotton Conference was held at New Delhi on June 22-23, 1970. The Conference was attended by as many as 1500 delegates from all the major cotton growing States of the country. In a lucid article on "Why This All-India Cotton Conference?" presented in the Souvenir Volume of the Conference, the then Vice-President of the East India Cotton Association and Member of Parliament, Mr. Manubhai Amersey, explained: "Traders are not generally of the aggressive type and cotton traders are no exception. As a class, they are co-operative and submissive ... cotton traders rarely ventilate their grievances publicly, much less do they combine to agitate or to organise. Although the traders annually handle Rs.650 crores worth of cotton produced in nearly eleven States, they have never had all these years a federated organisation at the All-India level...Now-a-days, however, the authorities do not seem to consider even well-reasoned arguments, much less to discuss or appreciate any views which are contrary to theirs. This, in fact, is a challenge to the trade. It is now forced to awake, rise and unite."

Elaborating how from time to time the trade had suffered successive hardships by price controls, denial of hedging facility, credit restrictions and the threat of take-over of import and internal trade, Mr. Amersey pointed out, rather in anguish, that "the cotton trade is being annihilated stage by stage for no rhyme or reason whatsoever. No socialistic objectives are to be served and no gains will accrue to the farmers or to the consumers. The trade is thus being driven into a position where it is left with no alternative but to unite in self-defence for redress of their grievances and the All-India Cotton Conference on June 22-23, 1970 provides the forum".

Recalling that cottonmen "have also played a part in country's fight for independence and have a proud record and past to remember", Mr. Madanmohan Ruia, who presided over the Conference argued forcefully in his inaugural address that "we, as trusting and hardworking tradesmen, have always served farm and factory better than our counterparts anywhere else in the world." Referring to a study on "Cost of Marketing Cotton" prepared in the Department of Economics, University of Bombay, he strongly asserted that "the margin of profit in cotton trading is exceedingly small in relation to the risks he bears and the service he renders"' and added proudly, "we have orgainsed and perfected marketing through free enterprise and competition to such an extent that I can categorically state that on a minimal net margin of 1/2 to 1 per cent we give expertise and service better than that given in any other cotton growing country. No other trade works for such a small profit and so efficiently renders the service that we do".

Incidentally, the empirical study referred to by Mr. Ruia had clearly established with strong supporting evidence and data that "in marketing of raw-cotton, the farmer's share in the eventual realisation from sales of both cotton lint and cottonseed is as high as 90 per cent. Marketing costs, including returns to merchants, account for the rest." The authors of the study had further adduced evidence to show that "contrary to popular misconception, the gross returns to cotton merchants averaged around only three to four per cent of their aggregate sales. Their net returns, after meeting establishment expenses, interest on borrowed founds etc., were obviously still smaller" -probably one per cent or even less as Mr. Ruia had estimated. Not surprisingly, as the authors of "Cost of Marketing Cotton" had put it: "The evidence suggests that the present system of cotton marketing is by far more economical than is often believed by its critics."

In the backdrop of such powerful empirical evidence, Mr. Madanmohan Ruia rigntly asserted that "the Indian cotton trader has perfected a system whereby for a miniscule margin he gets the farmer the highest price possible on the day and gives to the mills the processed raw-cotton adding a minimal margin. To be able to do so, he resorts to an arterial system of division of risks and insurance which requires fine tuning and know-how of the highest standard. This expertise and knowledge perfected by experience over a period covering generations is now sought to be strewn to the winds by the government and damage the interests of the country for reasons of some abstruse ideology, founded not on economic facts but on borrowed slogans by a slogan happy body politic."

Mr.Ruia was therefore not wrong when he concluded: "If the farmer's lot is to be improved or the consumer of cloth to be better protected, it cannot be done by nationalising and making us the sacrificial goats." Such a policy, he feared "will end in the impoverishment of farmers and spiralling prices for the consumers of cloth." Sadly,, but truly, the working of the Cotton Corporation of India and the Monopoly Kapas Purchase Scheme in Maharashtra during the last over a decade have amply proved that Mr. Ruia's fears were not unfounded.

After long deliberations lasting over two days (in which several prominent cotton merchants, including late Mr. R.G. Saraiya, the Grand Old Man of the Cotton Trade, who only a few years earlier was the recepient of the coveted 'Padma Bhushan' award from the President of India, participated), the Conference adopted resolutions urging the Government.

a) to drop the proposal for the take-over of the cotton trade,

b) to make available to all sections involved in the marketing of cotton adequate credit facilities to enable them to market the crop smoothly,

c) to permit futures trading in cotton immediately from the next season, and

d) to maintain the status quo in regard to import of foreign cotton.

These demands were also pleaded separately in a letter addressed to the Prime Minister, Mrs. Indira Gandhi, which was signed by as many as 300,000 people engaged in the cotton trade throughout the length and breadth of the country.

The immediate outcome of the Conference was that it generated considerable enthusiasm among the cotton traders all over the country, forged unity among them and developed self-confidence in their rank and file. At the Conference, the traders had also decided to form an All-India Cotton Federation. And although this proposal was not pursued later, the new synergy created by the Conference enabled the cotton traders to work in close unison with ardent zeal to achieve their cherished goals.

Soon after the Conference, the cotton traders in Bombay organised a silent and peaceful demonstration before the office of the Textile Commissioner on July 17, 1970 to register their strong protest against the government's move to take over the internal trade in cotton, canalise imports and continue the unwarranted ban on hedge trading. On August 1, 1970, the cotton traders throughout the country organised successfully " Hindustan Bandh." This was followed by 15 days' Hartal in all the cotton markets in the country from August 5 to August 19, 1970. The Hartal was organised not so much as a mark of protest against the proposed take-over of the cotton trade as to educate and enlighten the people and the government on the role of cotton trade in the marketing of cotton. The cotton traders in different parts of the country took this opportunity to meet the authorities at the Central and State levels, held Regional Conferences at Amaravati, Bhatinda and Ujjain and issued advertisements through the Press to inform the public of the cotton trade's case.

As the subsequent event showed, the struggle for survival by the cotton trade was not in vain. True, the Maharashtra Government introduced the monopoly purchase scheme in kapas and the Cotton Corporation of India was also set up by the Central Government to trade in cotton both domestically and in international markets. But the move for complete nationalisation of the trade was dropped. Though its freedom was somewhat curtailed, cotton trade was allowed to function in competition with both the co-operative and public sector. This was no mean achievement for the East India Cotton Association, which was always at the vanguard of this Great Struggle for the freedom of King Cotton and the survival of the cotton trade.

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Growth In Capacity Of Cotton / Man- Made Fibre Textile Mills (Non SSI)

YEAR	NO. OF MILLS			INSTALLED CAPACITY		
	SPINNING	COMPOSITE	TOTAL	SPINDLES(Mn.)	ROTORS (000)	LOOMS (000)
31-03-2011	1757	183	1940	42.69	518	52
31.03.2012	1761	196	1957	43.31	523	52
31.03.2013	1771	198	1969	44.17	546	52
31.03.2014	1757	197	1954	44.47	553	51
31.03.2015	1776	200	1976	45.08	565	52
31.03.2016	1779	201	1980	46.00	581	53
2013-14 (P)						
April	1765	197	1962	44.15	543	51
May	1766	197	1963	44.17	543	51
June	1768	197	1965	44.22	545	51
July	1774	197	1971	44.59	555	51
August	1759	197	1956	44.46	551	51
September	1762	197	1959	44.49	553	51
October	1759	199	1958	44.59	580	51
November	1744	197	1941	44.32	576	51
December	1748	197	1945	44.31	551	51
January	1757	197	1954	44.47	553	51
February	1757	197	1954	44.47	553	51
March	1757	197	1954	44.47	553	51
2014-15 (P)						
April	1757	197	1954	44.47	553	51
May	1757	197	1954	44.47	553	51
June	1757	197	1954	44.48	553	51
July	1761	198	1959	44.55	553	52
August	1765	198	1963	44.61	557	52
September	1770	198	1968	44.72	557	52
October	1772	198	1970	44.73	558	52
November	1773	198	1971	44.75	561	52
December	1772	200	1972	44.79	562	52
January	1773	200	1973	44.81	562	52
February	1774	200	1974	45.04	564	52
March	1776	200	1976	45.08	565	52
2015-16 (P)						
April	1776	200	1976	45.09	565	52
May	1776	200	1976	45.09	565	52
June	1776	200	1976	45.10	565	52
July	1776	200	1976	45.24	565	52
August	1776	200	1976	45.08	565	52
September	1776	201	1977	45.54	511	52
October	1778	201	1979	45.57	515	52
November	1778	201	1979	44.65	573	52
December	1778	201	1979	44.69	575	52
January	1778	201	1979	45.82	579	53
February	1779	201	1980	46.02	581	53
March	1781	201	1982	46.14	578	53

P - Provisional

Source : Office of the Textile Commissioner

UPCOUNTRY SPOT RATES

(Rs./Qtl)

Standard Descriptions with Basic Grade & Staple in Millimetres based on Upper Half Mean Length [By law 66 (A) (a) (4)]							Spot Rate (Upcountry) 2015-16 Crop MAY 2016					
Sr. No.	Growth	Grade Standard	Grade	Staple	Micronaire	Strength /GPT	16th	17th	18th	19th	20th	21st
1	P/H/R	ICS-101	Fine	Below 22mm	5.0-7.0	15	9055 (32200)	8970 (31900)	8970 (31900)	8970 (31900)	8970 (31900)	8970 (31900)
2	P/H/R	ICS-201	Fine	Below 22mm	5.0-7.0	15	9195 (32700)	9111 (32400)	9111 (32400)	9111 (32400)	9111 (32400)	9111 (32400)
3	GUJ	ICS-102	Fine	22mm	4.0-6.0	20	5652 (20100)	5708 (20300)	5736 (20400)	5736 (20400)	5793 (20600)	5793 (20600)
4	KAR	ICS-103	Fine	23mm	4.0-5.5	21	7424 (26400)	7480 (26600)	7536 (26800)	7536 (26800)	7592 (27000)	7592 (27000)
5	M/M	ICS-104	Fine	24mm	4.0-5.0	23	8633 (30700)	8689 (30900)	8745 (31100)	8745 (31100)	8773 (31200)	8773 (31200)
6	P/H/R	ICS-202	Fine	26mm	3.5-4.9	26	9673 (34400)	9701 (34500)	9729 (34600)	9758 (34700)	9758 (34700)	9786 (34800)
7	M/M/A	ICS-105	Fine	26mm	3.0-3.4	25	8183 (29100)	8211 (29200)	8239 (29300)	8239 (29300)	8239 (29300)	8239 (29300)
8	M/M/A	ICS-105	Fine	26mm	3.5-4.9	25	9083 (32300)	9139 (32500)	9167 (32600)	9195 (32700)	9251 (32900)	9280 (33000)
9	P/H/R	ICS-105	Fine	27mm	3.5.4.9	26	9926 (35300)	9954 (35400)	9983 (35500)	10011 (35600)	10011 (35600)	10039 (35700)
10	M/M/A	ICS-105	Fine	27mm	3.0-3.4	26	8520 (30300)	8577 (30500)	8605 (30600)	8605 (30600)	8605 (30600)	8605 (30600)
11	M/M/A	ICS-105	Fine	27mm	3.5-4.9	26	9336 (33200)	9420 (33500)	9448 (33600)	9505 (33800)	9533 (33900)	9561 (34000)
12	P/H/R	ICS-105	Fine	28mm	3.5-4.9	27	10067 (35800)	10095 (35900)	10095 (35900)	10123 (36000)	10123 (36000)	10151 (36100)
13	M/M/A	ICS-105	Fine	28mm	3.5-4.9	27	9645 (34300)	9701 (34500)	9729 (34600)	9786 (34800)	9786 (34800)	9814 (34900)
14	GUJ	ICS-105	Fine	28mm	3.5-4.9	27	9645 (34300)	9673 (34400)	9701 (34500)	9729 (34600)	9729 (34600)	9758 (34700)
15	M/M/A/K	ICS-105	Fine	29mm	3.5-4.9	28	9870 (35100)	9926 (35300)	9983 (35500)	10039 (35700)	10039 (35700)	10067 (35800)
16	GUJ	ICS-105	Fine	29mm	3.5-4.9	28	9814 (34900)	9842 (35000)	9898 (35200)	9926 (35300)	9926 (35300)	9954 (35400)
17	M/M/A/K	ICS-105	Fine	30mm	3.5-4.9	29	10179 (36200)	10208 (36300)	10236 (36400)	10264 (36500)	10264 (36500)	10292 (36600)
18	M/M/A/K/T/O	ICS-105	Fine	31mm	3.5-4.9	30	10489 (37300)	10489 (37300)	10489 (37300)	10517 (37400)	10517 (37400)	10545 (37500)
19	A/K/T/O	ICS-106	Fine	32mm	3.5-4.9	31	10686 (38000)	10686 (38000)	10686 (38000)	10686 (38000)	10686 (38000)	10686 (38000)
20	M(P)/K/T	ICS-107	Fine	34mm	3.0-3.8	33	13919 (49500)	13919 (49500)	13919 (49500)	14060 (50000)	14060 (50000)	14060 (50000)

(Note: Figures in bracket indicate prices in Rs./Candy)