

## **KCA announces spot rate at Rs8400 for new cotton crop**

KARACHI: The Spot Rate Committee of Karachi Cotton Association on Wednesday announced that Rs8400 per maund is the rate of new cotton crop 2020-21.

Market sources told that local market remained stable on Wednesday. They also said that due to the increase in the prices of local cotton people have started importing cotton from Barazil and Argentina.

Cotton Analyst Naseem Usman told that government will extend the date of duty free import of cotton which is expired on June 30. The textile mills were taking interest in the buying of cotton as the mills have started getting export orders.

He also told that 200 bales of Shahdadpur was sold at Rs8450, 1600 bales of Tando Adam sold at Rs8300 to Rs8350, 200 bales of Mirpurkhas at Rs8500, 1000 bales of Sanghar at Rs8350 and 200 bales of Nauabad at Rs8350.

He also told that the government has decided to abolish 5% sales tax on Banola Khal. Earlier, a delegation of Pakistan Cotton Ginners Association met minister for National Food Security Fakhir Imam. The minister briefed the delegation about the efforts which are under way to develop the agriculture sector on scientific lines to enhance yield of major crops including wheat, cotton and rice. He also said that production of cotton in the country can be increased by using the latest scientific techniques. The matters related to tax refunds and liquidity crunch and abolishing of sales tax on Banola were discussed in the meeting.

Naseem told that every year the cultivated area and production of cotton was announced by Federal Committee of Agriculture but this year nothing was announced from them. They may be announced the estimates after thorough review.

Naseem said that according to the news reports Locusts attack on the fields in Rahim Yar Khan and Khairpur and destroyed different crops.

Usman told that minister for National Food Security and Research Syed Fakhir Imam in a press conference showed his apprehension that Locusts may attack Pakistan in July. They can come from Afghanistan, Iran, Africa, Oman and from India. The government of Pakistan is taking steps to save the crop from the attack of Locusts. In this regard National Disaster Management Authority has ordered 11 aeroplanes for spraying in the fields. He also said that China is also helping us in controlling the Locust attack.

Naseem further said chairman standing committee on imports Federation of Pakistan Chambers of Commerce and Industry and former chairman Pakistan Yarn Merchants Association Khawar Noorani has rejected 2.5 percent regulatory duty on polyester filament yarn, which is basic raw material of the textile industry and appealed to the Prime Minister Imran Khan for a review the decision so that to save the textile industry and SME sector from destruction.

Naseem Usman also said that rate of new cotton of Sindh is in between Rs8300 to Rs8350 while in Punjab the rate of new cotton is in between Rs8800 to Rs8900.

He told that Phutti of Sindh was sold in between Rs4100 to Rs4300 per 40 kg. The rate of Phutti in Punjab is in between Rs4300 to Rs4400 per 40 kg.

The rate of Banola in Sindh was in between Rs1900 to Rs2000 while the price of Banola in Punjab was in between Rs2000 to Rs2100.

The spot rate announced to Rs8400 per maund for the new cotton crop of 2020-21. The polyester fiber was available at Rs157 per kg.