

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:3025
ANSWERED ON:20.12.2004
BUMPER COTTON CROP
Mahto Shri Tek Lal

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether a bumper cotton crop is expected this year;
- (b) if so, whether the Government is contemplating to raise the issue with Cotton Corporation of India (CCI) to procure the commodity at Minimum Support Price (MSP) to check distress sale by the farmers;
- (c) if so, the details thereof; and
- (d) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA)

(a): As per the first advance estimates of foodgrains and commercial crops for the year 2004-05, the production of cotton is estimated at 13.85, million bales of 170 Kgs. each.

(b) to (d): In order to avoid distress sale due to fall in cotton prices below the Minimum Support Price (MSP), the Cotton Corporation of India (CCI), the nodal agency of the Government of India, enters the market to buy kapas at MSP fixed by the Government of India. In view of the fall in kapas prices below the MSP level, the Cotton Corporation of India has commenced its MSP operations in all the major cotton growing states (except Maharashtra) viz. Punjab, Haryana, Rajasthan, Madhya Pradesh, Gujarat, Andhra Pradesh and Karnataka. As on 15th December, 2004, the CCI has purchased 28.25 lakh quintals of kapas at MSP. In Maharashtra, the Maharashtra State Cooperative Cotton Growers Marketing Federation has commenced its procurement operations in the State under monopoly procurement scheme at guaranteed prices.