

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:3714
ANSWERED ON:30.07.2009
PROCUREMENT OF COTTON
Sarvey Shri Sathyanarayana

Will the Minister of TEXTILES be pleased to state:

- (a) whether the present system of Minimum Support Price (MSP) for procuring cotton is adversely affecting Indian Textiles Industry;
- (b) if so, the corrective measures adopted by the Government to rectify the deficiency;
- (c) whether Cotton Corporation of India has offered any discount scheme for bulk purchase of cotton to Textile Industry;
- (d) if so, the details thereof; and
- (e) the quantity of cotton imported during each of the last three year and the current year?

Answer

MINISTER OF STATE IN THE MINISTRY OF TEXTILES(SMT. PANABAACA LAKSHMI)

(a): No Madam.

(b): Does not arise.

(c) & (d): Yes Madam.The Cotton Corporation of India (CCI) is selling its cotton at market prices. With a view to sell the larger quantities procured under MSP faster to avoid carrying cost and fire risks and also to enable the domestic mills to cover their requirements for larger purchases, the CCI as per the directives from the Ministry of Textiles, has introduced the bulk discount scheme. The details of bulk discount scheme of CCI are as under:-

Quantity in bales Bulk quantity discount

3000 to 5999 bales Rs.250/ per candy

6000 to 9999 bales Rs.350/- per candy

10000 to 24999 bales Rs.400/- per candy

25000 to 49999 bales Rs.450/- per candy

50000 to 199999 bales Rs.500/- per candy

200000 bales and above Rs.650/- per candy

(e): The details of cotton imports into the country during last three years and also during current years are as under:-

Year Quantity in lakh bales Value in (Rs. Crore)

2005-06 5.00 695.77

2006-07 5.53 752.29

2007-08 6.50 986.33

2008-09 (Estimated) 7.00 N.A.

Source for quantity as per CAB, value approx. as per DGCIS, Kolkata.