

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:3125
ANSWERED ON:24.04.2012
COTTON PRICE
Bavalia Shri Kuvarjibhai Mohanbhai

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government is aware that the farmers have received very low prices for cotton during the current year;
- (b) if so, the details thereof; and
- (c) the steps taken/proposed to be taken by the Government to ensure good prices for cotton growers?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE, FOOD PROCESSING INDUSTRIES AND PARLIAMENTARY AFFAIRS (SHRI HARISH RAWAT)

(a) & (b): The movement of cotton prices are determined by demand and supply situation domestically and internationally. In the current cotton season 2011-12 the prices of seed cotton in all the cotton growing states, in the beginning of the season were ruling 15% to 50% above the Minimum Support Prices (MSPs) fixed by the Government of India. At present, the seed cotton prices are ruling 17% to 43% above the MSP level.

(c): Apart from increasing MSP for cotton, Government has taken the following measures:

- i. In the event of prevailing Cotton prices touching the MSP level, Cotton Corporation of India (CCI), as nodal agency for MSP operations, has been mandated to purchase the entire quantity of seed cotton offered by cotton farmers at MSP without quantitative limit;
- ii. In the absence of MSP operations, CCI is undertaking commercial operations to ensure competitive prices to the cotton farmers.