

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

STARRED QUESTION NO:298

ANSWERED ON:18.03.2013

PROCUREMENT OF COTTON

Ganpatrao Shri Jadhav Prataprao;Jawale Shri Haribhau Madhav

Will the Minister of TEXTILES be pleased to state:

- (a) the criteria adopted by the Cotton Corporation of India for procurement of cotton from farmers in the States;
- (b) whether reports of distress sale of cotton in the States particularly in Maharashtra have been noticed by the Government during the last three years and the current year and if so, the details thereof along with the steps taken by the Government in this regard;
- (c) whether the Government formulates cotton distribution policy on annual basis and provides raw material security to the domestic industry;
- (d) if so, the salient features of the said policy; and
- (e) the steps taken by the Government to provide fair and reasonable price to the cotton growers?

Answer

(MINISTER OF TEXTILES) (SHRI ANAND SHARMA)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO THE LOK SABHA STARRED QUESTION NO. 298 FOR 18-03-2013 REGARDING PROCUREMENT OF COTTON BY SHRI HARIBHAU JAWALE AND SHRI PRATAPRAO GANPATRAO JADHAO TO BE ANSWERED BY SHRI ANAND SHARMA, HON'BLE MINISTER OF COMMERCE, INDUSTRY AND TEXTILES.

- (a): Cotton Corporation of India is a nodal agency which has been mandated by the Government to procure the entire quantity of FAQ grade kapas offered by the cotton farmers in the nominated market yards of various states without any quantitative limit, in the event of prevailing seed cotton (kapas) touching the Minimum Support Price level.
- (b): Government does not have any report of distress sale of cotton from any cotton growing states, including Maharashtra. Cotton prices are operating above MSP prices in March 2013.
- (c): Yes, Madam, since 2009-10 Government through the Informal Group of Ministers operationalized the Cotton Distribution Policy to ensure adequate raw material security to textiles industry;
- (d): The salient features of the cotton distribution policy are to ensure adequate availability to domestic industry and surplus cotton will be exported while maintaining a healthy closing stock;
- (e): Government has increased the Minimum Support Prices for cotton season 2012-13 for medium staple cotton from Rs. 2800/qtl to Rs.3600/qtl and for long staple cotton from Rs.3300/qtl to Rs. 3900/qtl.