

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:3427

ANSWERED ON:17.03.2015

MSP FOR COTTON

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**Will the Minister of AGRICULTURE be pleased to state:**

- (a) whether the Government has received a demand from various farmers association for fixing higher MSP for cotton at Rs. 1200/- per bale;
- (b) if so, the details thereof; and
- (c) the action taken by the Government to increase the MSP of cotton and safeguarding the interest of the cotton growers?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE ( SHRI MOHANBHAI KUNDARIA )

(a) to (c): Government receives various representations from time to time for enhancing Minimum Support Price (MSP) of Cotton. Government fixes the Minimum Support Price for raw Cotton after taking into account the recommendations of the Commission for Agricultural Costs and Prices (CACP) and views of Central Ministries/Departments. The CACP, while finalizing its recommendations for MSP, takes into account a number of factors including cost of production, changes in input prices, trends in market prices, demand and supply situation, effect on general price level, industrial cost structure, etc., the views of the State Governments and other relevant factors including representations received from farmers.

MSP for cotton has been increased continuously since 2010-11. For the 2014-15 season, Government has fixed the Minimum Support Price (MSP) for two basic varieties of Cotton of Fair Average Quality viz., Medium Staple Cotton at Rs.3750 per quintal and Long Staple Cotton at Rs.4050 per quintal. Further, to avoid distress sale by farmers, Cotton Corporation of India Ltd. (CCI) undertakes procurement of Cotton. As on 10th March, 2015, CCI was operating 332 centres in 11 Cotton growing States.