

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:1608

ANSWERED ON:02.12.2014

MSP FOR COTTON

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Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the prices of cotton have fallen below the Minimum Support Price (MSP) in the market causing problems to the farmers;
- (b) if so, the details thereof along with the reasons therefor;
- (c) whether the Government has urged the Cotton Corporation of India to procure cotton from farmers at MSP during the current season;
- (d) if so, the details thereof; and
- (e) whether the Government is considering to increase the MSP of cotton and if so, the details thereof?

Answer

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

(a) & (b): During the current Cotton season 2014-15, prices of Cotton are below MSP in the States of Andhra Pradesh, Telangana and Maharashtra. Details of market prices of Cotton in the major Cotton growing States are as under:

(Rs. Per Quintal)					
S.No.	State	Variety	MSP	Rulling Prices	
				Min.	Max.
1	A.P. & Telangana	Bunny	4050	3850	4050
2	Maharashtra	Bunny	4050	4000	4200
		H-4/H6	3950		
3	Gujarat	S-6	4000	4000	4200
4	North Zone (Punjab/	J34 (Hyb.)/	3950	4100	4600
	Haryana/Rajasthan	F-414			

Domestic Cotton prices depend on a number of factors including previous balance, current supply, current as well as future demand for cotton in both domestic and international markets. At present, Cotton prices in international markets are ruling lower than the prices that prevailed during the corresponding period last year primarily due to lower demand by China and increased supply from the USA.

(c) & (d): The Cotton Corporation of India Limited (CCI) has initiated action for procurement of Cotton from the growers at the Minimum Support Price in 341 centres located in 92 Districts in 11 Cotton growing States.

(e): There is no proposal to increase the MSP of Cotton.