Cotton procurement through MSP operations continuing at 34 centres in Maharashtra; Total 36,500 quintals of Kapas equivalent to 6900 bales procured during lockdown period

Around 77.40 % of total Kapas produced in Maharashtra had already arrived in the markets and been sold till 25th March, 2020; Cotton Corporation of India (CCI) procured 91.90 lakh quintals of Kapas equivalent to 18.66 lakh bales of cotton valuing Rs.4995 crores from cotton farmers

Steps have been taken to clear the outstanding payment to the farmers for the procured Kapas; Out of total procurement value, a sum of Rs.4987 crores has already reached the farmers

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There have been media reports regarding problems being faced by farmers in selling Kapas in APMCs in Maharashtra.

The Ministry of Textiles reassures the farmers that the Cotton Corporation of India (CCI) along with its agent the Maharashtra State Cotton Growers’ Marketing Federation Ltd. is well geared and ready to implement the MSP operations of the Government of India in the State of Maharashtra.

MSP procurement is on in Maharashtra since October, 2019. As on 25th March, 2020 Cotton Corporation of India (CCI) had already procured 91.90 lakh quintals of Kapas equivalent to 18.66 lakh bales of cotton valuing Rs.4995 crores from cotton farmers in Maharashtra through 83 centres.

Till 25th March, 2020 around 77.40 % of total Kapas produced in Maharashtra had arrived in the markets and sold to CCI and private traders. At the time of lockdown around 22.60 % of cotton was yet to arrive. Out of this outstanding Kapas, it is estimated that around 40 to 50 % of Kapas valuing
approx. Rs. 2100 crore may be of FAQ grade and growers may wish to avail of MSP rates due to traders not offering better price in view of the pandemic situation.

The MSP operations are continuing and CCI's procurement is on at 34 centres currently and a total of 36,500 quintals of Kapas equivalent to 6900 bales have been procured in Maharashtra during lockdown period.

The procurement is regulated by the state APMCAs and 27 centres are coming under red zones as identified by the District administration wherein procurement is expected to pick up after 3rd May, 2020. In remaining 22 centres the State Government has been approached by the CCI for issue of passes/tokens to farmers to bring Kapas and the matter is being constantly monitored by the Ministry of Textiles through daily status reports on arrival of farmers & Kapas procurement in the APMCAs. The necessary coordination of the CCI with the officials of Government of Maharashtra is being done through frequent Conferences for trouble shooting of emerging issues. The Textiles Ministry has also issued Advisory to the Government of Maharashtra to make appropriate arrangements in APMCAs for facilitating access to the cotton farmers to avoid distress selling.

Steps have been taken by the CCI to clear the outstanding payment to the farmers for the procured Kapas. Out of total procurement value of Rs.4995 crores, a sum of Rs.4987 crores has already reached the farmers.

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