

GOVERNMENT OF INDIA  
MINISTRY OF AGRICULTURE AND FARMERS WELFARE  
DEPARTMENT OF AGRICULTURE, COOPERATION AND FARMERS WELFARE

**LOK SABHA**  
**UNSTARRED QUESTION NO. 501**  
TO BE ANSWERED ON THE 6<sup>TH</sup> FEBRUARY, 2018

**INCREASE IN MSP OF COTTON**

501. SHRI DILIP PATEL:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) the prevailing Minimum Support Price (MSP) for cotton in the market;
- (b) whether it is causing problems to the farmers;
- (c) if so, the details thereof and the reasons therefor;
- (d) whether the Government is considering to increase the MSP for cotton and if so, the details thereof; and
- (e) the steps taken by the Government to promote cultivation of cotton in the country and its export?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्रालय में राज्य मंत्री (SHRI GAJENDRA SINGH SHEKHAWAT)

(a) to (d): The Government has increased the Minimum Support Price (MSP) of cotton (Medium staple) to Rs.4020 per quintal and of cotton (Long staple) to Rs.4320 per quintal for the current 2017-18 season as compared to Rs.3860 per quintal and Rs. 4160 per quintal respectively for 2016-17 season.

Government generally increases the MSPs of agricultural crops including cotton over the previous year's MSPs. The MSP fixed by the Government for 2017-18 provide return of 22.71% for cotton (Medium staple) and 31.87 % for cotton (Long staple) over all India weighted average costs of production (A2+FL) of Rs.3276 per quintal as estimated by the Commission for Agricultural Costs and Prices (CACP).

(e): The Government is implementing Cotton Development Programme with a focus on cropping system approach under National Food Security Mission (NFSM) in 15 major cotton growing states viz. Assam, Andhra Pradesh, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Odisha, Punjab, Rajasthan, Telangana, Tamil Nadu, Tripura, Uttar Pradesh & West Bengal from 2014-15 to enhance production and productivity.

Government has taken several steps to boost the exports of textiles, including cotton commodities. These include announcement of a special textile package for garments and made-ups sector, Merchandize Exports from India Scheme (MEIS) under new Foreign Trade Policy 2015-2020, restoring interest rate subvention for pre and post shipment credit for the textile sector, increased duty drawback rates for some textile articles, Market Access Initiative (MAI) Scheme, Market Development Assistance (MDA) Scheme, Duty-free import of trimmings, embellishments and other specified item under Export Performance Certificate Entitlement Scheme. Besides, export of cotton and cotton yarn is under Open General License and Government has dispensed with the registration requirement for export of cotton.

\*\*\*\*\*