

## High demand brings acche din for cotton farmers

[Himanshu Kaushik](#) | tnn | Dec 27, 2017

AHMEDABAD: Minimum support price (MSP) remained a major poll issue in the recently



concluded elections in Gujarat which saw BJP badly losing in Saurashtra, the hub of cotton farming. The good news for the farmers is that the demand for cotton in Pakistan, China, Vietnam and Indonesia has gone up considerably, pushing the price of cotton by around Rs 400 per quintal in the last one week. Against the MSP plus bonus price of Rs 954, cotton farmers are now getting Rs 1,100 per cotton bale in the market yards with commitments of around four lakh bales being placed.

"December saw surge in demand from Bangladesh, Pakistan, Vietnam, Indonesia and China. Cotton prices have firmed up in the international market too. This has led to increase in cotton prices in local markets by Rs 1,500 to Rs 2,000 per candy over the last 10 days or so," said Arun Dalal, a city-based cotton trader.

According to traders, the prices of benchmark Shankar-6 variety, widely grown in Gujarat, are being quoted in the range of Rs 40,200 to Rs 40,600 per candy currently (a candy weighs 356 kg). "The price even touched Rs 41,000 per candy. However, it has come down from that level with improvement in arrivals of cotton in local markets, which had slowed down on account of marriage season and elections few weeks back," Dalal added.

Traders and exporters estimate that around 15 lakh bales so far this season have been booked for exports in India, of which nine lakhs have been dispatched. The cotton shipments from Gujarat has been 3.5 lakh to four lakh bales.

In order to meet growing demand from its textile industry, Pakistan allowed imports of cotton from India recently. "This has boosted export sentiments as the neighbouring country is expected to import 10 lakh bales from India. Current export commitment to Pakistan is estimated at 3 lakhs to 3.5 lakh bales, shipments of which would start from January 2018. Pakistan importers are quoting higher price of Rs 41,000 to Rs 41,500 per candy for importing cotton from India," said Nirav Patel, an exporter from Ahmedabad.

As far as local market is concerned, around 42,000 to 44,000 bales of cotton are arriving daily in the market. So far, 20 lakh bales have arrived in the market in Gujarat. B R Tejani, secretary of the Rajkot APMC, said that the farmers are currently getting more price than the MSP declared by the government. The MSP was Rs 854 and a bonus of Rs 100 announced by the Gujarat government. He further said the increase in the price was because of the increase in demand. P P Pandya, the APMC secretary of Amreli, said, "The increase in price is owing to the increase in demand in the international market." The farmers are expecting that the prices will go up further.

**Source:** <https://timesofindia.indiatimes.com/city/ahmedabad/high-demand-brings-acche-din-for-cotton-farmers/articleshow/62259534.cms>