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Relief for cotton farmers as CCI steps in during lockdown

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Farmers in Tamil Nadu, especially those in Delta areas, who harvested cotton summer crop this year faced low demand and prices because of the lockdown and COVID-19 impact. However, with the intervention of the State Government, the Cotton Corporation of India (CCI) has stepped in and purchased over 40% of the crop so far, giving the much-needed relief to farmers.

Official sources in CCI said that since the first week of June they have purchased 18,000 bales of cotton, which is nearly 40% to 50% of the arrivals, so far. This is mostly cotton with less than 12% moisture content. They have also tied up with ginning units so that the cotton procured is moved from the markets to the ginning units in a week.

According to a senior official of the Agriculture Department, cotton is one of the important commercial crops in the State and is grown on 1.8 lakh hectares. In Delta areas, cotton is grown as a rice fallow crop after harvest of Samba paddy. More farmers evince interest in cotton cultivation as they get market price of approximately ₹5,500 a quintal and profit of nearly ₹70,000 an acre. Area under cotton in the State increased from 99,000 hectares in 2007-2008 to 1.69 lakh hectares in 2019-2020.

This year, with the spread of COVID-19 pandemic and the nation-wide lockdown since March 25, textile mills did not function to capacity and this reduced the demand for cotton. Hence, traders did not come forward to buy cotton or offered low prices.

The official said that the State Government engaged with the CCI to procure cotton at the regulated markets at Thanjavur, Tiruvarur, Nagapattinam and Cuddalore. The CCI purchased cotton at minimum support price (₹5,500 a quintal) if the quality standards were met. With active procurement by CCI, more private traders stepped in and they have procured the remaining 60% even if the moisture content is slightly high. The price they offer is slightly low for such cotton. But, the farmers find it remunerative.

The State Government continues to work with the CCI so that it is active in the market. Cotton growers in nearby districts started bringing cotton to regulated markets.

The State Government has made temporary arrangements in more cotton growing areas so that farmers can sell the produce faster to the CCI or traders. The cotton arrivals and procurement so far have crossed last year's for the corresponding period.

J. Thulasidharan, president of Indian Cotton Federation, said Tamil Nadu is the only State that has a summer cotton crop and usually the industry buys the cotton.

Source: <u>https://www.thehindu.com/news/cities/Coimbatore/relief-for-cotton-farmers-as-cci-steps-in-during-lockdown/article32198354.ece</u>