

# Cotton procurement at MSP up at 63 lakh bales till early January

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The State-run Cotton Corporation of India (CCI) has procured about 46 per cent of the total market arrivals of the fibre crop in the 2024-25 marketing season till now. As per latest data, CCI procured over 63 lakh bales of *kapas* (raw cotton), which is close to half of the estimated market arrivals of around 136 lakh bales (170 kg each).

According to data from trade body Cotton Association of India (CAI), market arrivals on Tuesday had reached nearly 136 lakh bales.

## REGIONAL PROCUREMENT

According to Lalit Kumar Gupta, Chairman and Managing director of CCI, about 32 lakh bales had been procured in Telangana and 16 lakh bales in Maharashtra so



**PRICE PARADOX.** Despite the aggressive purchases by CCI, the market prices of raw cotton remain below MSP levels

far. In Gujarat, 5 lakh bales had been procured while in Andhra Pradesh and Karnataka, procurement was at 3 lakh bales each.

In Madhya Pradesh, about 2.25 lakh bales had been procured while in Odisha the purchases stood at 1.25 lakh bales. In Rajasthan, 0.5 lakh bales had been procured, 0.30 lakh bales in Haryana and 0.01 lakh bales in Punjab.

CCI's purchases have been aggressive over the past few weeks. Till mid-Decem-

ber, CCI purchased 31 lakh bales.

## PRICING CONCERNS

Despite the aggressive purchase, the market prices of raw cotton remained below the minimum support price levels. *Kapas* prices are in the range of ₹7,100-₹7,200 per quintal in various markets of key producing regions. The Centre had set the MSP at ₹7,121 per quintal for the medium staple and ₹7,521 per quintal for the longer

variety for the 2024-25 marketing season.

“Prices of pressed cotton have firmed up by about ₹1,000-₹1,250 per candy (356 kg) in the past week. Cotton prices are ruling steady and firm in the range of ₹53,500-₹54,500 per candy,” said Ramanuj Das Boob, a sourcing agent in Raichur.

Also, the firming trend in cottonseed prices is providing support to prices.

Cottonseed prices have increased by about 10-15 per cent over the past few days to the ₹3,400-₹3,500 range, Das Boob said. This is mainly due to tight supplies.

Das Boob said purchase of cotton by mills is still slow. “There is no bulk buying from mills,” he said.

As per data from the CAI, the daily cotton arrivals are above 2 lakh bales, with the majority coming from Maharashtra and Telangana.