

# CCI buys 86 lakh bales of cotton as traders stay away

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The Cotton Corporation of India (CCI) has asked farmers not to resort to any distress sale of their produce even as prices are ruling around the Minimum Support Price (MSP) levels. It assured that it will purchase all of the produce that is brought to the designated CCI yards.

Trade sources said the bulk of purchases, up to 80 per cent, are being handled by the CCI, with traders involved in purchase of smaller lots.

For example, traders purchased 630 quintals of cotton while the CCI purchased

6,837 quintals at the Warangal Market Yard on Monday. "CCI assures all the cotton farmers of the States that it will continue to procure all fair grade cotton till last arrival. The farmers need not make any distress sale of their produce," the Chief General Manager (Marketing) of CCI said in a communication to farmers.

## **INCREASE IN MSP**

LK Gupta, Chairman and Managing Director of CCI, told *businessline* that the corporation had so far procured 86 lakh bales of cotton across the country. The 86 lakh bales procured this season are significantly higher than the 32.84 lakh bales procured during the entire last season.



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The farmer's MSP was increased by 7.5 per cent. Prices for lint cotton were at or even below last year's levels but seed cotton prices

have increased by 7.5 per cent compared to last year.

"This increase in MSP has increased our role in supporting the country's cotton

farmers," Gupta said.

"Purchases are ongoing and are likely to continue until March 15. We will remain in the market as long as farmers are offering cotton at the MSP," he said.

"We have a history of never stopping procurement. There were temporary suspensions in a few areas due to a lack of space but these were only for two to four days. By the end of this week, all centres across the country should be functioning normally," he said.

There were some gaps in certain areas, particularly in Maharashtra, where a few factories were closed in the last week of January due to high arrivals. "However, this is routine," he said.