

# CCI begins sale of 2024-25 cotton; mills turn selective in buying quality produce

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**PRICE BARRIER.** Day 1 of the auction saw a muted response as buyers were very selective, with the CCI's base price exceeding market rates

sell only 6,800 bales to mills while traders bought only 300 bales, sources said.

The CCI has purchased over 94 lakh bales of raw cotton at the minimum support price of ₹7,521 per quintal, while the market prices still continue to rule below the MSP levels on muted demand. The CCI has procured

over 40 lakh bales in Telangana, over 28 lakh bales in Maharashtra and over 11 lakh bales in Gujarat.

## **SELECTIVE BUYING**

The CCI is presently the largest stockholder of the fibre with cumulative market arrivals till date having crossed 219 lakh bales for the

2024-25 marketing season, per the Cotton Association of India data. CAI estimated the 2024-25 crop size at 301.75 lakh bales.

At current market rates, CCI may find it difficult to offload the stocks as buyers are selective.

“There will be possibility of selling small quantities of quality cotton only on longer credit terms,” said Ramanuj Das Boob, a sourcing agent in Raichur. Further, the global prices are under pressure, with the US imposing tariffs on exports to China, which will weigh on prices, Das Boob said.

The New York ICE Cotton Futures, which ruled at around 66 cents per pound for May delivery before the imposition of tariffs, have come to the level of 63 cents per pound.

The State-run Cotton Corporation of India (CCI) has started the sale of cotton procured in the current marketing season 2024-25 from Wednesday.

However, the response to the first day sale was muted as millers and the trade were selective in buying quality cotton as the CCI base price is higher than the prevailing market price.

The CCI base price was ₹54,000-₹55,500 per candy (of 356 kg) while the market prices are hovering in the range of ₹52,500-₹54,000. The CCI, which offered around 6,02,300 bales (of 170 kg) of both new and old cotton on Wednesday, could