

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:3737

ANSWERED ON:16.05.2006

SUBSIDY TO COTTON CORPORATION OF INDIA LTD.

Ahir Shri Hansraj Gangaram;Renge Patil Shri Tukaram Ganpatrao;Thummar Shri Virjibhai

Will the Minister of TEXTILES be pleased to state:

- (a) whether Cotton Corporation of India is adequately subsidized for procurement of cotton at the minimum support price;
- (b) if so, the details thereof;
- (c) whether no subsidy is provided to State Co-operative Cotton Growers Marketing Federation Ltd., Gujarat and Maharashtra;
- (d) if so, the reasons therefor indicating the steps taken to provide subsidy to these Marketing Federation;
- (e) whether any proposal to recognize / nominate the above Federations are pending with the Government; and
- (f) if so, the details thereof and the steps taken to clear the same?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGO VAN)

(a) & (b): Cotton Corporation of India Ltd. (CCI) is reimbursed the losses, if any, incurred by it in carrying out the Minimum Support Price (MSP) operations in cotton as the Nodal agency of the Government of India. CCI had undertaken MSP operations on following occasions:-

Cotton Year (Oct. - Sept.) Purchase under MSP operation (in lakh bales)

1982-83	1.91
1983-84	0.11
1984-85	0.78
1985-86	12.51
1986-87	4.55
1989-90	0.02
1996-97	0.10
1999-2000	0.06
2001-02	9.00
2004-05	27.52
2005-06 Provisional upto 01.05.2006	12.46

(c) to (f): From the cotton season 2004-05, the Government of India has also nominated NAFED as the second agency for undertaking MSP operations in the event of kapas prices touching the MSP level. No State level agency including State Co-operative Cotton Growers Marketing Federation Ltd., Gujarat and Maharashtra have been nominated as agencies on behalf of Government of India to undertake MSP operations in cotton.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 17 FOR ANSER ON 17.02.2006.

(a) & (b) No. please. The Cotton Advisory Board in its first meeting held on 7.12.2005 for the cotton season 2005-06 has estimated the cotton production at 242.50 lakh bales (inclusive of 12.0 lakh bales of loose cotton) which is almost the same to that of estimate of 243.00 lakh bales of previous year 2004-05.

(c) The cotton production in the State of Maharashtra, Andhra Pradesh, Karnataka, Haryana is some what affected during the current cotton season 2005-06 as compared to the previous year 2004-05 as the area has also decreased in these States.

(d) The Government of India has consistently been adopting several measure for improving the quality, productivity and production of cotton in the country as listed below:

(i) Centrally sponsored Intensive Cotton Development Programme

- (ii) Research & Developmental activities through various State Department of Agriculture and State Agricultural Universities etc.
- (iii) Technology Mission on Cotton - to improve the quality of cotton, increase the per hectare productivity, increase the income of cotton growers by reducing the cost of cultivation
- (iv) Integrated Cotton Cultivation
- (v) Introduction of *Bacillus thuringiensis* (Bt) Cotton