



Cabinet approves MSP funding of Rs.1,718.56 crore to CCI for cotton seasons 2023-24 for direct support to cotton farmers

MSP operations motivate cotton farmers across the country to sustain their interest in cotton cultivation and help make India Aatmanirbhar in quality cotton

CCI has infrastructure in all 11 major cotton-growing states through 508 procurement centres in 152 cotton-growing districts

Posted On: 18 MAR 2026 4:07PM by PIB Delhi

In a significant step towards strengthening farmer welfare and advancing the vision of Aatmanirbhar Bharat, the Cabinet Committee on Economic Affairs chaired by the Prime Minister Shri Narendra Modi has approved Minimum Support Price (MSP) funding of Rs.1,718.56 crore to the Cotton Corporation of India (CCI) for the cotton season 2023–24. This funding aims to provide direct price support to cotton farmers across the country.

The MSP operations are undertaken to safeguard the interests of cotton farmers, particularly during periods when market prices fall below the MSP. These interventions play a crucial role in stabilising cotton prices, preventing distress sales, and ensuring remunerative returns to farmers. By enhancing inclusivity in agricultural markets, MSP operations contribute significantly to the economic security of cotton-growing communities.

Cotton remains one of India's most vital cash crops, sustaining the livelihoods of approximately 60 lakh farmers and supporting 400–500 lakh people engaged in allied activities, including processing, trade, and textiles.

During the 2023–24 cotton season, the area under cultivation was estimated at 114.47 lakh hectares, with production pegged at 325.22 lakh bales, accounting for nearly 25% of global cotton output. The Government of India fixes the MSP for seed cotton (kapas) based on the recommendations of the Commission for Agricultural Costs and Prices (CACP).

The Government has designated the Cotton Corporation of India as the central nodal agency for undertaking MSP operations in cotton. CCI procures all Fair Average Quality (FAQ) cotton from farmers without any quantitative ceiling, whenever market prices fall below MSP levels, thereby providing an assured safety net to farmers.

As part of its preparedness, CCI has established a robust procurement network across all 11 major cotton-growing States, with over 508 procurement centres operational in 152 districts, ensuring seamless and accessible procurement for farmers.

Further, CCI has undertaken several technology-driven and farmer-centric initiatives to enhance the efficiency and transparency of MSP operations. These include disseminating MSP-related information, implementing the Bale Identification and Traceability System (BITS), and launching the “Cott-Ally” mobile app, which enables better outreach and service delivery to farmers.

MJPS

(Release ID: 2241788) Visitor Counter : 624

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