

COTTON**1. Introduction**

Cotton is one of the most important commercial crops cultivated in India and accounts for around 20% of the total global cotton production. It plays a major role in sustaining the livelihood of an estimated 6 million cotton farmers and 40-50 million people engaged in related activity such as cotton processing & trade.

Apart from being the provider of a basic necessity of life i.e. clothing which is next only to food, cotton is also one of the largest contributor to India's net foreign exchange by way of exports in the form of raw cotton, intermediate products such as yarn and fabrics ultimate finished products in the form of garments, made ups and knitwear. Due to its economic importance in India, it is also termed as "White-Gold".

2. National Scenario**2.1 Acreage under cotton and yield:**

India got 1st place in the world in cotton acreage with 114.47 lakh hectares area under cotton cultivation i.e. around 37% of world area of 306.09 lakh hectares. Approximately 67% of Indian's cotton is produced on rain-fed areas and 33% on irrigated lands. In terms of productivity, India is on 40th rank with yield of 437 kg/ha.

Table-1: Cotton Acreage and yield since 2014-15

Cotton season	Cotton Acreage (in lakh hectares)	Cotton Yield (Lint in Kg/ha)
2014-15	128.46	513
2015-16	122.92	459
2016-17	108.26	542
2017-18	125.86	500
2018-19	126.14	449
2019-20	134.77	460
2020-21	132.85	451
2021-22	123.71	428
2022-23	129.27	443
2023-24(P)	126.88	436
2024-25(P)	114.47	437

Source: As per Meeting of the Committee on Cotton Production and Consumption (COCP) held on 24.03.2025. P-Provisional.

2.2 Production and consumption of cotton:

India is the only country which grows all four species of cotton G. Arboreum & G. Herbaceum (Asian cotton), G. Barbadense (Egyptian cotton) and G. Hirsutum (American Upland cotton). G. Hirsutum represents 90% of the hybrid cotton production in India and all the current Bt cotton hybrids are G. Hirsutum. In India, majority of cotton production comes from 9 major cotton growing states, which are grouped into three diverse agro-ecological zones, as under:-

- i) Northern Zone - Punjab, Haryana and Rajasthan
- ii) Central Zone - Gujarat, Maharashtra and Madhya Pradesh
- iii) Southern Zone - Telangana, Andhra Pradesh and Karnataka.

Apart from the above the cotton is also grown in the state of Odisha and Tamil Nadu. India is having 2nd place in the world with estimated production of 294.25 lakh bales (5.00 Million Metric Tonnes) during cotton season 2024-25 i.e. 20% of world cotton production of 1487 lakh bales (25.29 Million Metric Tonnes). India is also the 2nd largest consumer of cotton in the world with estimated consumption of 318 lakh bales (5.41 Million Metric Tonnes) i.e. 21.40% of world cotton consumption of 1486 lakh bales (25.26 Million Metric Tonnes) during 2024-25.

Table-2: Production and consumption of cotton since 2014-15

Cotton Year	Production (in lakh bales)	Consumption (including MSME, non-MSME and Non Textile) (in lakh bales)
2014-15	386.00	309.44
2015-16	332.00	315.28
2016-17	345.00	310.41
2017-18	370.00	319.06
2018-19	333.00	311.21
2019-20	365.00	269.19
2020-21	352.48	334.87
2021-22	311.17	322.41
2022-23	336.60	313.63
2023-24 (P)	325.22	326.12
2024-25 (P)	294.25	318.00

Source: As per Meeting of the Committee on Cotton Production and Consumption (COCPC) held on 24.03.2025. P-Provisional.

2.3 Import and Export of cotton:

One of the largest exporter of cotton with estimated export of 18 lakh bales (0.31 Million Metric Tonnes) i.e. 3.23% of world export of 557.31 lakh bales (9.48 Million Metric Tonnes) in 2024-25. Although India is a leading producer and exporter of cotton, some quantity i.e. less than 5% of the total consumption of cotton in India is imported by the textile industry to meet their specific requirement.

Table-3: Import and export of cotton since 2014-15

Cotton season	Import (in lakh bales)	Export (in lakh bales)
2014-15	14.39	57.72
2015-16	22.79	69.07
2016-17	30.94	58.21
2017-18	15.80	67.59
2018-19	35.37	43.55
2019-20	15.50	47.04
2020-21	11.03	77.59
2021-22	21.13	42.25
2022-23	14.60	15.89
2023-24*	15.20	28.36
2024-25*	25.00	18.00

Source: As per Meeting of the Committee on Cotton Production and Consumption (COCPC) held on 24.03.2025. P-Provisional.

2.4 Balance Sheet of cotton since 2014-15 is given below:

Table-4: Cotton balance sheet since 2014-15

Particulars	(Quantity in lakh bales of 170kgs)										
	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24(P)*	24-25(P)*
SUPPLY											
Opening stock	33.00	66.00	36.44	43.76	42.91	56.52	120.79	71.84	39.48	61.16	47.10
Crop (Production)	386.00	332.00	345.00	370.00	333.00	365.00	352.48	311.17	336.60	325.22	294.25
Imports	14.39	22.79	30.94	15.80	35.37	15.50	11.03	21.13	14.60	15.20	25.00
Total Supply	433.39	420.79	412.38	429.56	411.28	437.02	484.30	404.14	390.68	401.58	366.35
DEMAND											
Total consumption	309.44	315.28	310.41	319.06	311.21	269.19	334.87	322.41	313.63	326.12	318.00
Exports	57.72	69.07	58.21	67.59	43.55	47.04	77.59	42.25	15.89	28.36	18.00
Total Demand	367.16	384.35	368.62	386.65	354.76	316.23	412.46	364.66	329.52	354.48	336.00
Closing Stock	66.23	36.44	43.76	42.91	56.52	120.79	71.84	39.48	61.16	47.10	30.35

3. International Scenario:

- 3.1 As per ICAC Journal 'Cotton This Month' published on November 2025, Global production for 2024-25 is projected at 25.39 million tonnes (1493 lakh bales) which is 5.8% higher in comparison to previous year's production of 23.99 million tonnes (1411 lakh bales). Global cotton consumption is projected at 25.10 million tonnes (1476 lakh bales) which is 1.61% higher in comparison to previous year's consumption of 24.71 million tonnes (1453 lakh bales). Global cotton export is projected at 9.10 million tonnes (535 lakh bales) which is lesser by 7.43% in comparison to previous year's export of 9.83 million tonnes (578 lakh bales). Global cotton import is estimated at 8.75 million tonnes (514 lakh bales) which is lesser by 5.32 % in comparison to previous year's import of 9.24 million tonnes (543 lakh bales). Global ending stocks is estimated at 15.84 million tonnes (931 lakh bales) which is lesser by 0.43% in comparison to previous year's ending stock of 15.90 million tonnes (935 lakh bales).
- 3.2 Details of major country-wise area & productivity, production, consumption, export and import are as under:-

Area & Productivity (Yield):

Table-5: Area & Productivity –Global Scenario for last 7 years

(Area in Thousand Hectare and productivity in Kgs/Hectare)

Countries	2018-19		2019-20		2020-21		2021-22		2022-23		2023-24		2024-25	
	Area	Yield	Area	Yield	Area	Yield	Area	Yield	Area	Yield	Area	Yield	Area	Yield
World	32799	768	34925	746	31688	771	32661	764	31937	773	31260	768	30610	830
India	12614	449	13477	460	13285	451	12371	428	12927	443	12688	436	11447	437
USA	4038	990	4650	932	3323	957	4153	919	2950	1068	2606	1008	3159	993
China	3300	1850	3250	1814	3101	1909	3028	1900	3000	2100	2788	2016	2900	2211
Pakistan	2373	704	2527	576	2000	480	2110	600	2065	405	2370	599	2000	600
Brazil	1175	1707	1618	1717	1666	1802	1371	1721	1600	1596	1650	1923	1920	1927

Source: World: ICAC Journal 'Cotton This Month' – November 2025, India: COCPC meeting dated 24.03.2025

Production:

Table-6: Production of cotton –Global Scenario for last 7 years

(Quantity in Million Metric Tonnes)

Countries	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
World	25.21	26.06	24.44	24.96	24.68	23.99	25.39
India	5.66	6.21	5.99	5.29	5.72	5.53	5.00
China	6.11	5.90	5.92	5.75	6.30	5.62	6.41
USA	4.00	4.34	3.18	3.82	3.15	2.63	3.14
Brazil	2.01	2.78	3.00	2.36	2.55	3.17	3.70
Pakistan	1.67	1.46	0.96	1.27	0.84	1.42	1.20

Source: World: ICAC Journal 'Cotton This Month' – November 2025, India: COCPC meeting dated 24.03.2025

Consumption:

Table-7: Consumption of Cotton –Global Scenario for last 7 years

(Quantity in Million Metric Tonnes)

Countries	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
World	25.69	23.67	26.04	25.72	24.54	24.71	25.10
China	8.07	7.70	8.56	7.69	8.10	8.20	8.20
India	5.29	4.58	5.70	5.48	5.33	5.55	5.41
Pakistan	2.36	2.34	2.15	2.45	1.90	2.00	2.10
Brazil	0.73	0.69	0.73	0.70	0.71	0.70	0.75
USA	0.65	0.47	0.52	0.56	0.45	0.40	0.37

Source: World: ICAC Journal 'Cotton This Month' – November 2025, India: COCPC meeting dated 24.03.2025

Exports:

Table-8: Export of Cotton –Global Scenario for last 7 years

(Quantity in Million Metric Tonnes)

Countries	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
World Total	9.17	9.16	10.73	9.34	8.32	9.83	9.10
USA	3.21	3.33	3.49	3.06	2.71	2.56	2.70
India	0.74	0.80	1.32	0.72	0.27	0.48	0.31
Brazil	1.31	1.95	2.40	1.68	1.45	2.68	2.80
Uzbekistan	0.16	0.10	0.10	0.03	0.01	0.06	0.01

Source: World: ICAC Journal 'Cotton This Month' – November 2025, India: COCPC meeting dated 24.03.2025

Imports:

Table-9: Import of Cotton –Global Scenario for last 7 years

(Quantity in Million Metric Tonnes)

Countries	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
World Total	9.23	8.75	10.61	9.33	8.26	9.24	8.75
China	2.10	1.55	2.79	1.69	1.36	3.25	1.13
Bangladesh	1.58	1.50	1.64	1.73	1.60	1.60	1.85
Vietnam	1.51	1.41	1.55	1.36	1.35	1.47	1.65
Turkey	0.79	1.02	1.19	1.24	0.95	0.64	0.98
Indonesia	0.66	0.55	0.55	0.58	0.38	0.50	0.43
India	0.60	0.26	0.19	0.36	0.25	0.26	0.43

Source: World: ICAC Journal 'Cotton This Month' – November 2025, India: COCPC meeting dated 24.03.2025

4. Minimum Support Price (MSP) Operation

- 4.1 The Cotton Corporation of India Limited (CCI) has been nominated by the Government of India for undertaking MSP operations in the event when prices of seed cotton (kapas) fall below the MSP level for procuring kapas offered by the cotton farmers as per MSP guidelines in various APMC market yards at MSP rates.
- 4.2 Before commencement of the Cotton Year (Oct. to Sept.), every year MSP is recommended by the Commission for Agricultural Costs and Prices (CACPC) based on the formula of 1.5 times of cost of production (A2+FL) so as to ensure reasonably fair remuneration i.e. at least 50% over cost of production to farmers.
- 4.3 Accordingly, taking into consideration the recommendation of CACPC, Ministry of Agriculture declares MSP for two basic varieties of cotton viz. Medium Staple length (staple length of 24.5 mm to 25.5 mm & micronaire value of 4.3 to 5.1) and long staple length (staple length of 29.5 to 30.5 mm & micronaire of 3.5 to 4.3). Based on the Support Price of these two basic varieties of Seed cotton (Kapas) and taking into account the quality differential, normal price differential and other relevant factors, the MSP for other classes of Seed cotton (Kapas) is fixed by the Office of Textile Commissioner.
- 4.4 For cotton season 2025-26, Government of India has increased MSP of cotton by about 7.83% to 8.27% as under:

Table-10: MSP fixed by Ministry of Agriculture since 2014-15 onwards

Cotton Season	Medium Staple (Staple length 24.5 mm -25.5 mm & Miconaire 4.3 - 5.1)			Long Staple (Staple length 29.5 mm -30.5 mm & Miconaire 3.5 - 4.3)		
	MSP rate (Rs./Quintal)	Increase in MSP		MSP rate (Rs./Quintal)	Increase in MSP	
		Rs./Quintal	%		Rs./Quintal	%
2014-15	3750	50	1.35%	4050	50	1.25%
2015-16	3800	50	1.33%	4100	50	1.23%
2016-17	3860	60	1.58%	4160	60	1.46%
2017-18	4020	160	4.15%	4320	160	3.85%
2018-19	5150	1130	28.11%	5450	1130	26.16%
2019-20	5255	105	2.04%	5550	100	1.83%
2020-21	5515	260	4.95%	5825	275	4.95%
2021-22	5726	211	3.83%	6025	200	3.43%
2022-23	6080	354	6.18%	6380	355	5.89%
2023-24	6620	540	8.88%	7020	640	10.03%

2024-25	7121	501	7.57%	7521	501	7.14%
2025-26	7710	589	8.27%	8110	589	7.83%

Table -11: Procurement under MSP since 2014-15 onwards

Cotton Season	Production (Lakh Bales)	Procurement under MSP Operations	
		Qty. in Lakh Bales	%age of Production
2014-15	386.00	92.60	23.99
2015-16	332.00	8.95	2.70
2016-17	345.00	0.01	0.002
2017-18	370.00	3.91	1.06
2018-19	333.00	10.78	03.24
2019-20	365.00	124.61	34.14
2020-21	352.48	99.33	28.18
2021-22	311.17	-	-
2022-23	336.60	-	-
2023-24	325.22	32.84	10.10
2024-25	294.25	100.16	34.04

In 2016-17, 2021-22 & 2022-23, cotton prices were ruling above MSP. Hence, no MSP support required by farmers.

5. Steps taken for development of cotton sector:

5.1 Supporting the cotton farmers by procuring cotton under Minimum Support Price (MSP) Operations:

The main objective of MSP is to ensure remunerative prices to cotton farmers by providing them an alternate price at which cotton can be sold by them. MSP system ensures remunerative price to cotton farmers and saves them from distress sales in any eventuality of cotton prices falling below MSP.

During cotton season 2019-20, due to lockdown caused by COVID-19 pandemic in India and across the globe from mid of March 2020 had created an unprecedented crisis. In such situation when there were no buyers for farmers' cotton, CCI supported them under MSP operation by operating 423 procurement centres in 11 cotton growing states. CCI made a record procurement of 105.15 lakh bales (equivalent to around 546.80 lakh quintals kapas) valuing around Rs. 28,500 crores. Besides this, 19.46 lakh bales valuing Rs. 5,055 crore were procured from 3.45 lakh cotton farmers by Maharashtra State Coop. Cotton Growers Marketing Fed. Ltd as sub agent of CCI in Maharashtra. Thus, an amount of Rs. 33,555 crores were disbursed to around 25 lakh cotton farmers directly into their bank accounts.

During cotton season 2020-21, when India was at a critical stage in COVID-19 pandemic due to its' deadly second wave, CCI was functioning in 11 cotton growing states with 450 procurement centres to safeguard the cotton farmers and to avoid the eventuality of distress sale by them. With this intervention, CCI procured 91.89 lakh bales (equivalent to around 482 lakh quintals kapas) valuing around Rs. 26,700 crores under MSP operations directly from the farmers. Besides this, 7.44 lakh bales valuing Rs.2102 crore were procured from 1.37 lakh cotton farmers by Maharashtra State Coop. Cotton Growers Marketing Fed. Ltd as sub agent of CCI in Maharashtra. Thus, an amount of Rs. 28,800 crores were disbursed to around 20 lakh cotton farmers directly into their bank account.

During cotton season 2023-24, 32.84 lakh bales valuing Rs. 11,712 crore were procured under MSP operations, benefitting about 7.25 lakh cotton farmers. During cotton season 2024-25, CCI has procured 100.16 lakh bales valuing Rs. 37,437 crore under MSP operations, benefitting about 21 lakh cotton farmers in all cotton growing States. Whereas during current cotton season 2025-26, up to 18th November 2025, CCI has procured 4.37 lakh bales valuing Rs. 1,795 crore under MSP operations, benefitting about 1.11 lakh cotton farmers in all cotton growing States.

5.2 Developed Kapas Kisan App:

'Kapas Kisan' mobile application has been launched to facilitate farmer self-registration and slot booking on a seven-day rolling basis, thereby reducing waiting time, avoiding long queues, and ensuring transparent and convenient procurement operations.

- 5.3 SMS alerts: to notify farmers about bill generation and payment status under MSP operations.
- 5.4 Direct Payments: 100% payment directly in Aadhar linked Bank Accounts of cotton farmers through National Automated Clearing House (NACH).

5.5 E-auction:

CCI is selling its entire stock through online independent e-auction. This ensures complete transparency, proper price discovery and realization without any manual intervention.

- 5.6 CCI has developed “CotBiz” — an online Cotton Seed and Bale Billing System — which streamlines the entire process from buyer registration to invoicing, thereby facilitating faceless, paperless, and seamless operations.

5.7 Efforts for traceability:

Developed Block-chain based QR coded Bale Identification & Traceability System (BITS), for complete traceability of cotton bales produced by CCI. This is creating a benchmark to the textile industry by giving assurance of the quality of cotton and a milestone for development of brand image of Indian cotton.

5.8 Branding of Indian Cotton:

Kasturi Cotton Bharat is a pioneering initiative of the Government of India, focusing on three pillars: Traceability, Certification, and Branding to enhance the value of Indian cotton. This initiative is a collaboration between the Ministry of Textiles, Government of India, trade bodies, and industry, with a budgetary support of Rs. 30 Crore, including Rs. 15 Crore from Trade & Industry Bodies and an equal contribution from the Ministry of Textiles. So far, Rs. 10 crores have already been released by Ministry of Textiles towards this initiative.

A Memorandum of Understanding (MoU) was signed on 15th December 2022 between the Cotton Corporation of India Ltd. (CCI), on behalf of the Government of India, Ministry of Textiles, and The Cotton Textiles Export Promotion Council (TEXPROCIL)

The objective of this MoU is to enhance the global perception and value of Indian cotton by positioning 'Kasturi Cotton Bharat' as a high-quality, competitively priced product in both domestic and international markets.

Kasturi Cotton Bharat is a certification and branding initiative for lint cotton bales after processing. Various seminars and workshops have been conducted across different states to increase awareness about the potential premium for cotton meeting Kasturi standards. These workshops are encouraging farmers to adopt better practices, ultimately leading to higher prices for their quality cotton.

Milestones achieved under Kasturi Cotton Bharat programme are as under:

- Ginners across the country have been empowered to produce Kasturi Cotton Bharat certified bales as per a defined protocol. Leading companies and associated ginning units are being registered under the initiative.
- 132 units including 51 Ginners and 81 supply chain members have renewed their registration for Kasturi Cotton Bharat.
- As on 31.10.2025, 1,58,500 bales have been certified as Kasturi Cotton including 1,51,700 bales of CCI.
- To ensure complete traceability, a QR-based certification system is being implemented at every stage of processing. A blockchain-based software platform will provide end-to-end traceability and transaction certificates. A Microsite with QR code verification and Blockchain technology has been developed for real-time tracking of Kasturi Cotton Bharat tagged bales.

- The Kasturi Cotton Bharat website has been launched as a digital platform for information, updates, and ginner registration. It also highlights the unique processes that differentiate Kasturi Cotton Bharat.
- The certification ensures standardized quality for long staple (28 mm+) to extra-long staple (35 mm+) cotton, with sampling and testing conducted by NABL-accredited agencies. Initiatives such as Kasturi Villages, awareness workshops, branding, traceability, and sustainability practices further strengthen the program, positioning Indian cotton as a global symbol of purity, quality, and sustainability.
- Besides above, following activities are being undertaken for positioning of Kasturi Cotton Bharat brand:
 - a. Participate in textile events to reach brands.
 - b. Advertise in International & Domestic Textile Trade magazines and websites
 - c. Work with companies in the areas of:
 - Domestic: Retail chain- Reliance Retail, Westside and others
 - Domestic: Brands – Arvind, Aditya Birla, CMAI and others
 - Seeking commitment from spinning mills to purchase Kasturi cotton for manufacturing yarn.
 - Exports: Shahi Exports (RMG), Gokaldas Exports, Welspun (Home Textiles), Indo Count (Home Textiles), Vardhaman group (Yarn/fabric) and others.
 - d. Augmenting supplies by encouraging sustainable practices in co-ordination with RegenAgri and BCI to develop ‘RegenAgri-Kasturi’, ‘BCI-Kasturi’ brands respectively.
- By setting uniform quality standards, Kasturi Cotton Bharat initiative improves the standards of overall cotton supply chain. This encourages the use of high-quality raw material, increasing demand for premium cotton. Thus, by promoting standardized production and sourcing practices in ginning & pressing factories, the initiative benefits farmers by ensuring better value for their high-quality cotton, ultimately improving their livelihoods.
