

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

STARRED QUESTION NO:371
ANSWERED ON:20.08.2004
PROBLEMS OF JUTE GROWERS
Singh Shri Sitaram

Will the Minister of TEXTILES be pleased to state:

- (a) whether the Government is aware of the problems faced by the jute growers in Orissa, West Bengal and other Eastern States;
- (b) if so, the steps being taken by the Government to deal with the problems of jute growers;
- (c) whether the Government has entrusted the Jute Corporation of India, the work of procuring jute from the jute growers without any ceiling;
- (d) whether the Government compensates the losses incurred by the Jute Corporation of India in its operations of purchasing jute on minimum support price; and
- (e) if so, the minimum support price of jute fixed by the Government for the year 2004-05 ?

Answer

MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA)

(a) to (e) A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO.371 RAISED BY SHRI SITARAM SINGH, M.P. FOR ANSWER ON 20.08.2004

(a) Yes Sir.

(b) The Govt. is well aware of the problems of the Jute Growers in the country. The Govt. takes care of the interest of the Jute Growers by an elaborate process of consultation and analysis of field data by the Commission for Agricultural Costs & Prices (CACP) every year. Based on the recommendations of the CACP, the Govt. announces a Minimum Support Price (MSP) for raw jute. During the last five years, the Minimum Support Price, fixed by the Government for TD-5 Grade (ex-Assam) of raw jute, as given below, indicate a constant increase in MSP:-

Year Rs.Per Qunital

1999-2000	750
2000-2001	785
2001-2002	810
2002-2003	850
2003-2004	860
2004-2005	890

The Jute Corporation of India (JCI) is the nodal agency for undertaking MSP operations. The Government has issued instructions to JCI to gear up its MSP operations so that the farmers do not face any problems in disposal of their raw jute. The JCI, functions through its 171 purchase Centres, 95 Jute Centres operated by Apex Cooperative Societies of various states and 235 Village Level Service Societies, spread over the major jute/mesta growing areas. The Government of India provides Budgetary Support and Bank Guarantees to JCI for the smooth functioning of MSP operations. JCI, during the previous jute year, procured around 11.13 lakh bales (of 180 kg) of raw jute under the MSP Scheme. This Ministry has not received any complaint regarding farmers not getting a remunerative price for raw jute. From the above statements, it follows that the Government is taking effective steps to improve the welfare of the lakhs of jute workers and jute growers.

(c) Yes Sir. The JCI is mandated to procure whatever quantity of raw jute offered at MSP provided the raw jute is as per prescribed specifications.

(d) Yes Sir.

(e) The Minimum Support Price fixed by the Govt. for the Jute year 2004-05 is Rs. 890 per quintal for TD-5 grade (ex- Assam) of raw jute.