

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:3845
ANSWERED ON:19.12.2006
JUTE CORPORATION OF INDIA
Kharventhan Shri Salarapatty Kuppusamy

Will the Minister of TEXTILES be pleased to state:

- (a) the details of profit earned/loss incurred by the Jute Corporation of India during each of the last three years and current year;
- (b) the reasons for loss, if any;
- (c) whether the Government has restructured the Jute Corporation of India.
- (d) if so, the details thereof; and
- (e) the steps taken by the Government to protect the workers engaged in the jute industry?

Answer

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

(a): The details of Profit earned/loss incurred by the Jute Corporation of India (JCI) during each of the last three year and current year, is as under:-

2003-04 Profit 1.53 crores
2004-05 Profit 14.47 crores.
2005-06 Loss 17.76 crores.
2006-07 Accounts for the current years
would be compiled after the end of the year.

(b): The JCI has to maintain its infrastructure costing Rs.32.23 crores (for the year 2005-06) to conduct Minimum Support Price Operation but JCI has generated contribution of Rs.14.47 crores through its operation resulting reductions of total loss from Rs.32.23 crores to Rs.17.76 crores.

(c)&(d): Yes, Sir. The Government has approved the financial and functional restructuring of the JCI by way of taking the following decisions:-

i) To write off the entire outstanding loan of Rs.195.68 Crores and interest of Rs.313.97 Crores on these loans (as on 31.03.2003) against the accumulated losses (Rs.144.17 Crores), subsidy receivable (Rs.301.88 Crores) and JCI's claim (Rs.64.13 Crores) on NJMC.

ii) To provide subsidy to JCI on a continuous basis from the year 2003-04 to off-set the losses on account of MSP operations by JCI. The quantum of subsidy will include the difference between the purchase and sale prices of raw jute by JCI. While calculating MSP losses the reimbursement of overhead costs to JCI should not exceed 10% of the value of the purchase under MSP in a particular financial year.

iii) Ex-Post-facto revision of IDA pay scale w.e.f. 01.01.1992 in respect of employees covered under IDA scales of pay in Jute Corporation of India (JCI).

iv) Revision of the IDA scales of pay w.e.f.1.1.1997 in respect of employees covered under IDA pay scales in JCI.

(e): The Government has taken a number of steps for the welfare of Jute Sector as a whole, which, inter-alia, would benefit the workers engaged in the Jute Industry:-

i) Govt. has approved the Jute Technology Mission (JTM) which aims at modernization of industry and increase the productivity so that the Jute can become a more vibrant sector. JTM also has schemes for training and skill upgradation of workers.

ii) Govt. has provided protection to Jute Industry through the JPM Act since 1987 for sustainable employment in jute industry.

iii) Govt. has introduced a Jute Board Bill, 2006 in the Parliament to set up a National Jute Board. Which will have jurisdiction to undertake appropriate measures for welfare for workers.

iv) There are several schemes of Central Government which help those workers engaged in the Jute Industry, such as Training programs, Work-shops and Demonstrations, Design development schemes, Market support schemes and NGO Assistance Scheme.