

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:6059

ANSWERED ON:14.05.2012

JUTE INDUSTRY

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**Will the Minister of TEXTILES be pleased to state:**

- (a) whether the Government has assessed the problem being faced by the jute growers/cultivators in the country;
- (b) if so, the supportive measures/schemes/incentives given by the Government for revival of jute industry in the country;
- (c) whether the Jute Corporation of India is procuring the jute from the jute growers without any ceiling;
- (d) if so, the details thereof alongwith the steps taken by the Government to compensate the losses incurred by the Jute Corporation of India in its operations of purchasing jute on minimum support price;
- (d) the details of jute produced in the country out of that procured by the Jute Corporation of India during each of the last three years, grade-wise and State-wise; and
- (e) the steps taken by the Government to fix minimum support price of jute in future?

**Answer**

(MINISTER OF STATE IN THE MINISTRY OF TEXTILES) (SMT. PANABAACA LAKSHMI)

(a) & (b): Yes, Madam. Government takes various supportive measures from time to time to address the problems of jute growers/cultivators as well as revival of jute industry in the country. Some of the important steps are as under:

i) Government of India has launched the Jute Technology Mission (JTM) as a major initiative for overall development of the jute industry and growth of the jute sector during the 11th Plan with a total outlay of Rs. 355.5 crores. Under the JTM, several schemes are operational under the Mini Mission I, II, III & IV which benefit jute growers and encourage them for jute production. Mini Mission-I aims towards strengthening agriculture research and development in jute sector for improving the yield and quality. Mini Mission-II is targeted towards transfer of improved technology and agronomic practices in production and post harvesting phase. Under Mini-Mission-III, market linkage of raw jute is provided in all jute growing states. Mini Mission-IV provides for modernization of jute industry, upgradation of skills and market promotion.

ii) National Jute Board and Jute Corporation of India work on projects with National Institute of Research on Jute & Allied Fibre Technology (NIRJAFT) and Central Research Institute for Jute and Allied Fibres (CRIJAF) to develop better jute seeds and to improve agronomical practices for jute cultivation.

(iii) Minimum Support Price for raw jute and mesta is fixed every year to encourage farmers to grow more jute.

iv) Jute Corporation of India and National Jute Board distribute certified seeds to farmers for increasing productivity.

v) In order to encourage jute production, Government follows the policy for compulsory packaging of foodgrains & Sugar in jute.

vi) Creating awareness regarding various schemes being implemented for promotion of jute and jute products.

vii) Participation in the export promotion fairs for promotion of jute diversified products. Besides, marketing assistance extended to the exporters for participating in different promotional events of the National Jute Board under Fast Track Export Market Development Scheme.

viii) National Jute Board has organised Capacity Development & Marketing Training Programme for Jute Entrepreneurs.

(c) & (d): The Jute Corporation of India (JCI) is the nodal agency of the Ministry of Textiles, Govt. of India for procurement of raw jute through its 171 purchase centres and State cooperative bodies in all major jute growing states at the Minimum Support Price (MSP) declared by the Govt. of India. Jute Corporation of India (JCI) procures raw jute under two circumstances:

1. When prices are at the MSP level. For such purchases there is no ceiling on the quantity of purchases.

2. For supply to National Jute Manufactures Corporation (NJMC)'s Mills based on indents specifying the quantity which is received from NJMC. Such purchases are made at prevailing market prices as Commercial Purchases

JCI did not incur any losses for its operations of purchasing jute at MSP.

(e): State-wise production of raw jute in the country during the last three years are given below:

(In thousand bales of 180 k.g per bale)

States	2009-10	2010-11	2011-12
Assam	715.3	625.4	658.0
Bihar	1118.4	1164.6	1611
Meghalaya	34.7	34.4	
Nagaland	2.0	5.4	
Orissa	30.4	36.3	32.1
Tripura	3.8	4.2	
West Bengal	9325.0	8137.5	8600
Others	0.8	1.6	44.9
Total	11230.4	10009.4	10946.0

Source: Ministry of Agriculture, Directorate of Economics & Statistics.

2nd advance estimates.

State-wise raw jute procured by JCI during the last three years are given below:

(In thousand bales of 180 k.g per bale)

State	2009-10	2010-11	2011-12
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	Commercial	Commercial	MSP	Commercial
West Bengal	0.7	21.1	84.0	18.0
Bihar	2.3	15.6	7.0	
Assam	0.4	10.7	18.2	
Orissa	1.2			
Tripura	0.5			
Total	1.1	34.1	119.5	25.0

There were no MSP operations in 2009-10 and 2010-11 as the prices were above the MSP level. The minimum support price is fixed by the Government on the basis of recommendations of the Commission for Agricultural Costs and Prices (CACP). While formulating the agricultural price policy, CACP takes into account various factors such as cost of production, overall demand/supply situation, domestic and international prices and effect of minimum support price on general price level. For the Jute Year 2012-13, Government of India has increased the MSP to Rs.2200 per quintal from the previous year's MSP of Rs.1675 per quintal for TD-5 (Ex-Assam).