

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:4230
ANSWERED ON:18.12.2014
MSP OF JUTE
Teli Shri Rameswar

Will the Minister of TEXTILES be pleased to state:

- (a) whether the Minimum Support Price (MSP) is adequate to the Jute growers in comparison to its cost of production;
- (b) if so, the measures taken by the Government as well as Jute Corporation of India (JCI) to procure jute from growers when market price is rolling above MSP;
- (c) whether there is any plan to strengthen JCI to provide more services to the jute growers and if so, the details thereof; and
- (d) whether no recruitment was made by JCI since 1990-91 and the total manpower of the Corporation has drastically reduced severely affecting the interests of jute growers and if so, the details thereof and the steps being taken/ proposed to be taken thereon?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF TEXTILES (SHRI SANTOSH KUMAR GANGWAR)

- (a): The Minimum Support Price (MSP) is decided on the basis of relevant factors such as cost of production, overall demand/supply situation, domestic and international prices and effect of minimum support price on general price level by Commission for Agricultural Costs and Prices (CACP) under the Ministry of Agriculture.
- (b): Although the mandate of the Jute Corporation of India (JCI) is to undertake MSP operations for the stabilisation of the raw jute prices and to ensure that there is no distress selling by the jute farmers, JCI undertakes commercial operations also by procuring raw jute above the MSP price as and when such operations are found viable.
- (c): Yes, Madam. In order to increase the efficiency, JCI is working on its organisational restructuring.
- (d): No Madam. However, recruitment since 1990-91 has been largely restricted. JCI undertakes the operations with available staff and also, based on requirements, engages the services of workers on contract basis to ensure that the interests of jute growers do not suffer.