

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:3990

ANSWERED ON:13.08.2015

MSP for Jute

Gohain Shri Rajen; Mukherjee Shri Abhijit

Will the Minister of TEXTILES be pleased to state:

- (a) the minimum support price of jute finalised for the current year in the country;
- (b) whether due to lack of proper monitoring and vigilance, the farmers are far away from such Government policy of Minimum Support Price (MSP) as the jute mill owners are not buying the jute from the jute producers with a MSP;
- (c) if so, whether the Government has any plan to procure entire jute production through Jute Corporation of India to give actual benefits of MSP to farmers;
- (d) if so, the details thereof;
- (e) whether the Government proposes to restructure the Jute Corporation of India to enhance its efficiency and capacity to handle huge quantity of jute to be procured from the jute growers in the country; and
- (f) if so, the details thereof?

Answer

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

(a): For the Crop Year 2015-16, the Minimum Support Price (MSP) for TDN3 grade of raw jute declared by the Government is Rs.2700/- per quintal.

(b) to (d): No, Madam. Jute Corporation of India Limited (JCI) is the nodal agency of Government of India to procure jute at MSP through its own 171 centres and with the help of state level co-operatives in jute growing areas. The Government has approved annual grants of Rs.55.00 crores for 2014-15, Rs. 52.11 crores for 2015-16, Rs.49.38 crores for 2016-17 and Rs.46.78 crores for 2017-18 to Jute Corporation of India (JCI) for maintaining its infrastructure for conducting Minimum Support Price (MSP) operations. Accordingly, Jute Corporation of India Limited (JCI) procures raw jute brought to them by farmers, under MSP Operations, without any quantity limit. However, as the prevailing market rate is much higher than the MSP, the MSP option offered by the JCI is not being availed by the farmers.

(e): Yes, Madam.

(f): Based on the study done by M/s. Deloitte Touche Tohmatsu India Pvt. Ltd., a restructuring plan has been finalised and approved with the objectives of reducing fixed costs and also implementing methods of alternative revenue generation. The restructuring plan includes outsourcing of Departmental Purchase Centre (DPC) activities, rationalisation of manpower and merger/closure of unviable DPCs.
