

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:1880
ANSWERED ON:22.07.2014
MSP FOR JUTE AND RICE
Gohain Shri Rajen

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the minimum support price of jute and rice have been finalized by the Government for the year 2014-2015;
- (b) if so, the details thereof;
- (c) whether the Government is aware that due to lack of proper monitoring and vigilance, the farmers are not getting the benefits envisaged under Minimum Support Price (MSP) Policy;
- (d) if so, the remedial steps taken by the Government thereon;
- (e) whether the Government has any plan to procure entire jute production through Jute Corporation of India to give actual benefits of MSP to farmers; and
- (f) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FOOD PROCESSING INDUSTRIES (DR. SANJEEV KUMAR BALYAN)

(a) & (b): Government of India for 2014-15 season has fixed the Minimum Support Price (MSP) of TD-5 variety for Raw Jute at Rs. 2400 per quintal. The MSP for Paddy has been fixed at Rs.1360 per quintal for common variety and Rs. 1400 per quintal for Grade A variety.

(c) & (d): Minimum Support Price (MSP) is in the nature of a minimum guaranteed price for the farmers offered by the Government for their produce in case the market prices fall below that level. If the market offers higher price than the MSP, the farmers are free to sell their produce at market price. Procurement under MSP is undertaken by the designated central agencies and State Governments.

MSP operations are monitored by the Government. Directives are issued to the State Governments and the procurement agencies from time to time to ensure procurement operations are carried out timely for the benefit of farmers.

(e) & (f): There is no plan to procure the entire jute production through Jute Corporation of India (JCI). The JCI through its 171 Departmental Purchase Centers (DPCs) purchases raw jute at MSP. When the market price of raw jute is higher than MSP, operations of JCI remain at low. However, when market prices fall below MSP, JCI, under the Price Support Scheme is obliged to buy whatever quantity of jute is offered by the growers at MSP rates without any quantitative limit.