MOST IMMEDIATE TIME BOUND

F.NO.2-2/2018-CC-ES
Government of India
Ministry of Agriculture & Farmers Welfare
Department of Agriculture, Cooperation & Farmers Welfare
Directorate of Economics & Statistics

119F, Shastri Bhawan, New Delhi-110001
Dated the 22nd February, 2019

NOTIFICATION


Government of India has approved the Price Policy for Raw Jute for 2019-20 season and following decisions have been taken with respect to MSP of Raw Jute.

(i) The Minimum Support Price (MSP) of raw jute (TDN3 equivalent to TD5 of old grade) for 2019-20 season has been fixed at Rs. 3950/- per quintal for the entire country.

(ii) Corresponding MSP for other varieties and grades of Raw Jute will be fixed keeping in view the aggregate scores assigned to different grades of raw jute, apart from normal market price differentials.

(iii) The Jute Corporation of India will continue as Central Government Nodal Agency to undertake Price Support Operations and the losses incurred, if any, in the MSP operations, will be fully reimbursed by the Central Government.

(iv) Appropriate action may be taken by the concerned Ministries/ Departments of the Government, State Governments and other agencies on non-price recommendations of Commission for Agricultural Costs and Prices (CACP).

2. In this connection, I am directed to request you to take appropriate action immediately on the above decisions under intimation to this office.

(J. K. Rathee)
Deputy Economic Adviser (CC)
Tel: 011-23387039

To

1. Secretary,
   Ministry of Textiles
   Udyog Bhawan, New Delhi. 110011

2. Jute Commissioner
   Office of the Jute Commissioner
   Ministry of Textiles, Government of India
   CGO Complex, 3rd MSQ Building, 4th Floor DF Block
   Sector-1, Salt Lake City, Kolkata-700 064
3. Chairman - cum - Managing Director  
Jute Corporation of India Ltd  
15 N, Nellie Sengupta Sarani, Kolkata-700 087

4. Secretary,  
Department of Food and Public Distribution  
Krishi Bhavan, New Delhi 110001

5. Secretary & Director General,  
Department of Agricultural Research & Education & ICAR  
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Ministry of Finance,  
North Block, New Delhi110001

2. Secretary,  
Department of Expenditure  
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3. Chief Executive Officer,  
NITI Aayog  
Yojana Bhavan, New Delhi 110001

4. Joint Secretary,  
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5 Member Secretary,  
Commission for Agricultural Costs & Prices,  
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   Odisha Secretariat, Bhubneswar-751 001

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   Assam Sachivalaya, Dispur, Guwahati-781 006

Copy for Information:

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4. JS (Cooperation), DAC&FW, Krishi Bhawan, New Delhi
5. JS (Policy), DAC&FW, Krishi Bhawan, New Delhi
6. JS (Marketing), DAC&FW, Krishi Bhawan, New Delhi
7. JS (Trade), DAC&FW, Krishi Bhawan, New Delhi
8. JS (Crops), DAC&FW, Krishi Bhawan, New Delhi
9. Adviser (FE), DES, Krishi Bhawan, New Delhi
10. Adviser (Coordination Division), DES, Krishi Bhawan, New Delhi
11. Technical Director, NIC, Room No. 341, Krishi Bhawan, New Delhi
    (for uploading on DES website)

(J. K. Rathee)  
Deputy Economic Adviser (CC)  
Tel: 011-23387039

<table>
<thead>
<tr>
<th>S. N.</th>
<th>Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The issue of large differences in production estimates of jute (total production as well as grade/variety wise composition) provided by Jute Advisory Board (JAB) vis-a-vis the official estimates released by Directorate of Economics &amp; Statistics (DES), Ministry of Agriculture and Farmers Welfare needs to be examined. Convergence of production estimates will help policymakers and business to understand the jute market dynamics and to make sound business and policy decisions.</td>
</tr>
<tr>
<td>2</td>
<td>The important determinants of fibre quality and profitability of raw jute production are scientific cultivation practices, crop variety and the retting process. Improved Cultivation and Advanced Retting Exercise for Jute (Jute-ICARE) project, which was launched as a pilot project in 2015 to popularize/ introduce better agronomic practices and microbial-assisted retting among farmers to enhance jute yield and reduce costs, has limited coverage in 30 blocks and about one lakh farmers out of 40 lakh jute farmers. Since the project has been well received by the farmers, it needs to be scaled-up and expanded to major producing areas. Interventions under Jute-ICARE project will help in improving yield, better fibre quality and reducing labor cost, thereby making Indian jute sector globally competitive.</td>
</tr>
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<td>3</td>
<td>One of the major problems for jute production in the country is non-availability of quality seed, which results in lower productivity and profitability. It is, therefore, recommended that proper assessment of demand for quality seed be undertaken and concerted efforts for ensuring timely availability of quality jute seeds through National Seed Corporation (NSC), State Departments/Seed Certification Agencies, JCI, Krishi Vigyan Kendras (KVKs) private sector, etc be undertaken.</td>
</tr>
<tr>
<td>4</td>
<td>Classification of jute grading has been revised from 8 to 5 grades and with MSP of TDN3 as base, Ministry of Textiles fixes MSP of TDN1, TDN2, TDN4 and TDN5. However, jute is still traded in old grades (TD-1 to TD-8) and a subjective hand and eye method is used for assessing the quality. In order to protect farmers from exploitation, the Commission recommends that instrumental methods should be used for scientific assessment of most important characteristics of jute quality. As per discussion with ICAR-NIRJAFT and other stakeholders, the grading machine developed by ICAR-NIRJAFT is yet to be commercially used as it can analyze a very small sample to assess quality of jute fibre. It is strongly recommended that the machine should be appropriately calibrated and modified before the next season and installed in major procurement and trading centres to bring transparency in fibre quality assessment. A standard transparent procedure needs to be adopted for measuring moisture content in jute fibre. Indian Jute Industries Research Association (IJIRA) has suggested that a 10 pin electrode can be used for measuring moisture regain percent (MR %) of raw jute moolah (open bale) and a 2 pin electrode for raw jute bale.</td>
</tr>
</tbody>
</table>
Most of the jute growers are marginal farmers and have small volumes of production, which forces them to sell their produce to middlemen/traders at low prices. Hence, to expand procurement coverage and ensure benefits of MSP to farmers, particularly small and marginal farmers, concerted effort should be made to involve farmers’ collectives such as Farmer Producer Organizations (FPOs) and Self Help Groups (SHGs), State cooperatives, private sector, etc. JCI needs to be strengthened and infrastructure facilities for procurement operations specially in interior areas should be improved.

According to the JCI estimates, about 94 percent of total production is Tossa and 3 percent each of white and mesta/bimli varieties, whereas, estimates given in background note on jute sector by Ministry of Textiles shows that the production of Tossa, white, mesta and bimli is 78 percent, 10 percent, 7 percent and 5 percent, respectively. The share of good quality jute i.e., TD-1 to TD-3 varieties was only 20-25 percent according to the estimates of Office of Jute Commissioner and 11 percent as per Ministry of Textiles. Majority of jute produced in the country is old TD-4 and TD-5 grade or lower grades. The mandatory packaging of foodgrains and sugar in jute sacking as per JPM Act 1987 has further resulted in less production of high-quality jute fibre, which has constrained diversification of jute products from conventional to high-value products. Therefore, there is a need to focus on high-value products rather than depending on captive demand for low-quality fibre. Along with this, jute products may be placed in lower Goods and Services Tax (GST) bracket to increase its competitiveness.

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MOST IMMEDIATE

F.No. 3-1/2018-CC-ES
Government of India
Ministry of Agriculture & Farmers Welfare
Department of Agriculture, Cooperation & Farmers Welfare

119F, Shastri Bhawan, New Delhi
Dated: 26th November, 2018


With approval of the Minister of Agriculture & Farmers Welfare, the Minimum Support Price (MSP) of Toria of Fair Average Quality (FAQ) for 2018-19 season to be marketed in 2019-20 has been fixed at Rs. 4190 per quintal. As per the decision of the Cabinet Committee on Economic Affairs (CCEA) regarding the Price Policy for Rabi Crops of 2018-19 season to be marketed in 2019-20, the MSP of Toria has been fixed on the basis of the normal market price differentials between Toria and Rapeseed/Mustard.

2. National Agriculture Cooperative Marketing Federation of India Limited (NAFED), Small Farmers Agri-Business Consortium (SFAC) and other designated central agencies would continue to undertake procurement of Toria.

3. The Cooperation Division, Department of Agriculture, Cooperation & Farmers Welfare (DAC&FW), being the concerned department for implementing the Price Support Schemes (PSS) may take necessary steps like publicity of the decision regarding MSP of Toria and issue of directions to designated central agencies.

4. Copies of communications issued in this regard may be sent to this office for record.

(J. K. Rathee)
Deputy Economic Adviser
Tel: 23387038

1. Secretary, Department of Food and Public Distribution, Krishi Bhawan, New Delhi.

2. Joint Secretary (Cooperation), Department of Agriculture & Cooperation & Farmers Welfare, Krishi Bhawan, New Delhi.
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8. Chief Secretary
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Tel: 23387039

Copy for information to:-


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5. **Managing Director, NGCF**, Deepali, 6th Floor, 92, Nehru Place, New Delhi-110019

6. **Managing Director, SFAC**, NCUI Auditorium Building, 5th Floor, 3, Siri Institutional Area, August Kranti Marg, Hauz Khas, New Delhi-110016

7. **Managing Director, CWC**, 4/1 Siri Institutional Area, August Kranti Marg, Hauz Khas, New Delhi-110016

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Deputy Economic Adviser
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4. Adviser (FE), DES, Krishi Bhawan, New Delhi.

5. Adviser (Coord.), DES Krishi Bhawan, New Delhi.
F.No.18-1/2018-CC-ES
Ministry of Agriculture and Farmers Welfare
Department of Agriculture, Cooperation and Farmers Welfare
Directorate of Economics & Statistics
(C. C. Division)

Shastri Bhawan, New Delhi.
Date: 04.01.2019


The Government of India has approved the Price Policy for Copra for 2019 season and following decisions have been taken with respect to MSP of Copra:

I. The Minimum Support Price (MSP) for Fair Average Quality (FAQ) of “Milling Copra” has been increased to Rs.9521/- per quintal for 2019 season from Rs. 7511/- per quintal in 2018 season.

II. The MSP for FAQ of “Ball Copra” has been increased to Rs.9920 /- per quintal for 2019 season from Rs. 7750/- per quintal in 2018 season.

III. Based on the MSP of FAQ Variety of Milling Copra, the Department of Agriculture, Cooperation and Farmers Welfare will fix the MSP of mature de-husked Coconut for 2019 season.

IV. National Agricultural Cooperative Marketing Federation of India Limited (NAFED), and National Cooperative Consumers’ Federation (NCCF) will continue to act as the Central Nodal Agencies to undertake price support operations of Copra for the 2019 season and the losses, if any, incurred by the nodal agencies in such operations would be fully reimbursed by the Government of India.

V. Appropriate action may be taken by the concerned Ministries/Departments, State Governments and other Agencies on Non-Price Recommendations (Annexure 1) of the CACP/Views of DAC&FW in a time-bound manner.

2. In this connection, you are requested to take appropriate action wherever applicable, on the above decisions under intimation to this office.

(J.K. Rathee)
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Page 1 of 8
For information and necessary action:

1. **Joint Secretary (Cooperation),**
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2. **Joint Secretary (MIDH/ Horticulture),**
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3. **Joint Secretary (Trade),**
   Department of Agriculture, Cooperation & Farmers Welfare,
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4. **Joint Secretary (Marketing),**
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5. **Adviser (CS), DES,**
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6. **Chairman,**
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   Kochi, Kerala -682011.

7. **Secretary, Department of Agricultural Research & Education & ICAR,**
   Krishi Bhawan, New Delhi.

8. **Secretary, Department of Food and Public Distribution,**
   Government of India, Krishi Bhawan, New Delhi.

9. **Secretary, Department of Commerce,**
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    Room No. 143, Udyog Bhawan, New Delhi.

10. **Secretary, Ministry of Food Processing Industries,**
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3. Secretary,  
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Ministry of Finance, Government of India,  
, North Block, New Delhi.

4. Chief Executive Officer,  
NITI Aayog, Yojana Bhavan, New Delhi

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Secretariat, Chennai – 600009

3. Chief Secretary,  
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4. Chief Secretary,  
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Thiruvananthapuram – 695015

5. Chief Secretary,  
UT Administration of Andaman & Nicobar Islands,  
P.O. Chatam, Port Blair – 744101  
Tel: 03192-233110, 234087, Fax: 03192-232656.

6. Administrator,  
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Kavaratti – 682555

7. Chief Secretary,  
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(J.K. Rathee)  
Dy.Economic Adviser
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3. PS to ESA, DES, Krishi Bhavan, New Delhi
4. Adviser (FE), DES, Krishi Bhavan, New Delhi.
5. Adviser (Coord.), DES, Krishi Bhavan, New Delhi
6. Technical Director, National Informatics Centre, 341, Krishi Bhavan, New Delhi - with request to upload the Order in the site of DACNET

(J.K. Rathee)
Dy. Economic Adviser
## Annexure 1


<table>
<thead>
<tr>
<th>S.No</th>
<th>Recommendation</th>
<th>View of the Department</th>
<th>Ministry/Dept Division/ State Govt. for Follow-up Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>India is the leading producer of coconut in the world accounting for about 31.7 percent of global production. The country has also the highest yield but there are large inter-state differences in crop yields. Kerala, which is the largest producer of coconut, has low productivity compared with other major producing states. Therefore, there is a need to improve productivity in the state through planting disease resistant high yielding preferably hybrid/dwarf varieties, scientific and better crop management practices, replanting of senile palms with quality planting material, efficient irrigation, effective management of diseases and pests and efficient management of inputs.</td>
<td>Productivity improvement in Kerala will be given continued thrust and intensified through schemes like Replanting and Rejuvenation, Laying out of Demonstration plots, expansion of area under coconut, establishment of small coconut nursery, setting up of organic manure units and dwarf seedlings in Government/private sector.</td>
<td>State Government of Kerala, Crops Division and Horticulture Division</td>
</tr>
<tr>
<td>2.</td>
<td>According to CDB estimates, stock-to-use ratio of coconut oil declined from 6.29 percent in 2015-16 to 4.98 percent in 2016-17 and further to 4.12 percent in 2017-18 mainly due to significant increase in consumption from about 589 thousand tonnes in 2016-17 to 631 thousand tonnes in 2017-18.</td>
<td>Factual information</td>
<td>Nil</td>
</tr>
</tbody>
</table>
3. There is a need to promote collective action initiatives to improve marketing performance and increase smallholder farmers' income. Coconut farming is dominated by small holders and primary processing of coconut like drying facilities are not available at farm level. Therefore, farmers' collectives viz. Coconut Producer Societies (CPS)/Federations/Companies can play an important role in primary processing activities in the coconut sector. If farmers' collectives are provided with conversion facilities, the benefits of PSS would directly reach the farmers. Government can provide financial support to meet part of the capital requirement for farmers' collectives. This arrangement will benefit farmers as it will facilitate procurement and value-addition at village level in an organized manner.

Coconut Development Board (CDB) has been facilitating formation of Farmer Producer Organizations (FPOs) in the coconut sector and has extended support for processing and value addition of raw nuts into copra and coconut oil.

| 4. There is a lack of awareness about the CPIS among farmers due to lack of publicity at grassroot level. Except in some states, sincere efforts have not been made to promote the Scheme and hence the funds remain unutilized many times. For instance, in the year 2016-17, around 36 percent funds released were utilized, while in 2017-18 only 9 percent funds were utilized. Delay in administrative approval by State Governments and non-remittance of state shares of premium to the insurance company are main reasons for poor implementation of CPIS. The Commission thus suggests that for effective implementation of CPIS, more insurance companies should be allowed to participate in CPIS as in case of PMFBY so that more choices are available to CDB undertakes mass awareness on Coconut Palm Insurance Scheme (CPIS) through print media in local language, apart from facilitation by the State Government machinery. Participation of more insurance companies will help in increasing competition and providing greater choice to the farmers. |

| Credit Division and Horticulture division/Coconut Development Board (CDB) | State Governments of the concerned states, Horticulture Division/Coconut Development Board(CDB) and Marketing Division. |
5. There is a need to promote coconut-based farming systems by inter-cropping of spices, vegetables, medicinal plants, etc. to improve profitability. Integrated strategies for management of emerging pests and diseases need to be promoted among farmers.

Intercropping based coconut farming systems will be given continued thrust and intensified through the scheme "Laying out of Demonstration Plots"

State Governments of the concerned states and Horticulture division/Coconut Development Board (CDB)

6. Shortage of labor for carrying out various operations in coconut cultivation in general but harvesting in particular and high wages are major constraints in coconut cultivation. Traditional methods of harvesting pose a serious threat to life of the laborers due to height of trees. The commission, therefore, reiterates its recommendation that ICAR/SAs should be assigned the task of designing an appropriate user-friendly and affordable machine and tools for coconut harvesting.

Under Sub Mission on Agricultural Mechanisation (SMAM), financial assistance upto 40% of the cost of agricultural equipments and machinery including tree climber, dryers and other Post Harvest Technology (PHT) equipments, Coconut Frond Chopper, plant protection equipments and other related tillage equipments are provided. Additional assistance of 10% of cost is also given to SC/ST/S&M farmers/women farmers. Central Institute of Agricultural Engineering (CIAE), ICAR has developed tree climbers and these are commercially available in the market.

State Governments of the concerned states and ICAR

7. The value addition in coconut is facing certain constraints due to the bulky nature of raw material, which requires large storage space, high working capital, transportation expenses and handling charges. Moreover, lack of

The CDB will continue to extend support to farmer collectives for establishing infrastructure for value addition and processing under its scheme "Technology Mission for

Trade, Marketing Divisions of DAC &FW, Horticulture
organised market for coconut diversified products makes market promotional activities more expensive, which is beyond the capacities of small entrepreneurs. Hence, farmers collectives should be promoted and provided with required physical infrastructure, financial assistance and capacity building for value addition. India has also not been able to fully tap the market for coconut value-added products in the world markets. There is a need to give special thrust to industries manufacturing coconut value-added products under Technology Mission on Coconut (TMOC). This will also go a long way in enhancing incomes of coconut farmers. GST on coconut shell will increase the cost of raw material for activated carbon which may adversely impact price competitiveness of activated carbon in export market.

<table>
<thead>
<tr>
<th>8.</th>
<th>Consumption of packaged tender coconut water in India is still at a nascent stage but has a huge potential in domestic and world markets. Most of the units producing tender coconut water are micro and small enterprises and are not able to compete with organised fruit juice industry. Tender coconut water possesses various pharmacological properties, therefore, promotion of tender coconut water would certainly provide health benefits and ensure higher returns to coconut farmers. Further, to expand domestic market and realize better market penetration for tender coconut, there is a need to bring down the GST from 12 percent to zero percent.</th>
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<tr>
<td></td>
<td>At present, GST on tender coconut water other than put up in unit container bearing a registered brand name is 'Nil'. However, GST on tender coconut water put up in unit container bearing a registered brand is 12%. There is a need to bring down this GST to 'Nil' so as to ensure that value addition is encouraged and consumption picks up in the country thereby benefiting our farmers.</td>
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