

LOK SABHA
UNSTARRED QUESTION NO. 2439
TO BE ANSWERED ON 15.03.2023

MERGER OF CCI AND JUTE CORPORATION OF INDIA

2439. SHRI MANNE SRINIVAS REDDY:
SHRI KANUMURU RAGHU RAMA KRISHNA RAJU:
SHRI KOMATI REDDY VENKAT REDDY:

Will the Minister of TEXTILES वस्त्र मंत्री
be pleased to state :

- (a) whether the Government proposes to merge Cotton Corporation of India (CCI) and Jute Corporation of India, if so, the details thereof and reasons therefor;
- (b) whether CCI is incurring losses due to the insufficient sales of cotton, if so, the details thereof, State-wise since 2014 onwards and corrective steps being taken and also details of losses incurred till date;
- (c) whether the Government proposes to give special package to revive CCI, if so, the details thereof and if not, the reasons therefor;
- (d) whether the Government has reduced allocation of budget for the year 2023-24 as compared to year 2022-23, if so, the details thereof comparatively during the last five financial years and if not, the reasons therefor; and
- (e) whether the Government has released the sanctioned funds/allocated funds under budget and if so, the details thereof and if not, the reasons therefor?

उत्तर
ANSWER
वस्त्र राज्य मंत्री (श्रीमती दर्शना जरदोश)
THE MINISTER OF STATE FOR TEXTILES
(SMT. DARSHANA JARDOSH)

(a): There is no such proposal to merge Cotton Corporation of India (CCI) and Jute Corporation of India (JCI).

(b) & (c): No, CCI is not incurring any losses. The highlights of performance of CCI since 2014-15 are as follows:

Particulars	Financial Year							
	21-22	20-21	19-20	18-19	17-18	16-17	15-16	14-15
Purchase (in Lakh Bales)	0.06	112.67	84.51	11.03	10.77	0.95	9.17	86.37
Sales (in Lakh Bales)	104.01	101.71	2.17	8.35	2.56	9.67	86.34	4.2
Turnover (in Rs. crores)	23,565.24	34,632.46	6,452.21	2,832.45	1,392.22	1,962.96	17,066.97	5,389.27
Profit After Tax (in Rs. crores)	13.29	26.13	38.07	50.99	9.33	7.44	11.69	22.59
Dividend paid to Government (in Rs. crores)	18.17	18.63	20.75	15.30	2.80	2.25	3.51	5.00

CCI has been a profitable and a dividend paying company, therefore there is no such proposal of special package for its revival.

(d) & (e): No advance budget is allocated to CCI. Under the Minimum Support Price (MSP) Scheme, the Government of India reimburses the losses incurred in MSP operations to CCI and, therefore, if CCI incurs any loss in MSP operations in 2023-24, additional budget/funds will be sought as per the requirement. Since cotton season 2021-22 & 2022-23, seed cotton prices for FAQ grade are ruling much above MSP level and farmers are getting about 25% higher rates above MSP by market forces itself, farmers did not require any price support from CCI. Accordingly, no price support required during cotton season 2021-22 as well as in the cotton season 2022-23, however, losses incurred in previous years were reimbursed in FY 2021-22 and 2022-23.

Statement of MSP support given to CCI by Government of India since 2014-15 is as follows:

Financial Year	MSP Support Received from Government during the Financial Year (Rs. in Crore)
2014-15	-
2015-16	259.60
2016-17	602.75
2017-18	99.00
2018-19	911.96
2019-20	1,850.40
2020-21	566.84
2021-22	8,086.89
2022-23	119.86
