

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:2273
ANSWERED ON:10.03.2006
IMPORT OF JUTE PRODUCTS
Singh Shri Kirti Vardhan

Will the Minister of TEXTILES be pleased to state:

- (a) the quantum of jute products imported during the current financial year and previous year to meet the shortage, country-wise.
- (b) the reasons for increase in imports as compared to previous years;
- (c) the details of foreign exchange outgo from India during current financial year;
- (d) the details of imports from Bangladesh and Nepal;
- (e) whether the Government proposes to dilute jute Monopoly mandated at 100 per cent in view of above;
- (f) if so, the details thereof; and
- (g) if not, the other corrective measures taken by the Government to reduce the imports of jute goods and save the foreign exchange?

Answer

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGO VAN)

(a) : As per information received from the Customs Authorities of Department of Revenue, Govt. of India, Kolkata, the comparative figures of imports of Jute Products during the current financial year and previous year (2004-05) is given below :-

Period	Import of Jute Products	
(April-March)	Qty	Value (Rs. crores)
	(Thousand MT)	

2004-05	32.17	70.74
2005-06 (April- Jan.)	64.89	142.40

Country-wise figures of imports of jute goods are not readily available from the Customs Authorities.. However, as per information received from the field offices the majority of imports are from Bangladesh and Nepal.

(b) :The increase in import of jute goods is mainly attributable to the following factors :-

i. Bangladesh being a member of SAARC enjoys tariff concessions to the extent of 50% on raw jute and 60% on jute goods on standard rate of import duty. With the reduction of import duty and tariff concession imports of raw jute and jute goods are found to be cheaper as compared to the domestic market price of raw jute and jute goods.

ii. The quality of raw jute produced in Bangladesh is found to be superior which is being used by Indian Jute Industry in manufacturing finer quality yarn and fabrics for export market .

(c) :On account of imports of jute and jute goods during April'05 – Jan'06, an outgo of foreign exchange equivalent to US\$ 59.73 million has been estimated.

(d) :Country wise import figures are not readily available. However the majority of imports are from Bangladesh and Nepal.

(e) & (f) : At present, there is no proposal to dilute the present level of compulsory packaging fixed for different commodities. The Standing Advisory Committee under the Jute Packaging Materials (Compulsory use in Packing Commodities) Act, 1987 recommends suitable percentage of compulsory packaging for different commodities keeping in view all relevant matters pertaining to the jute economy.

(g) : Keeping in view the sufficient availability of jute products and to discourage import of jute goods, adequate safeguard has been taken by Govt. of India. In this regard, Jute Commissioner issued Gazette Notification No.S.O.698(E) dated 04.07.2002 making it compulsory for all importers to ensure marking of every imported jute bag with country of origin so that such bags do not find their way into food grains and sugar sector reserved under Jute Packaging Materials (Compulsory use in Packing Commodities) Act, 1987. Another Gazette Notification No.S.O.828 (E) dated 28.08.2001 has been issued by the Jute Commissioner directing that no person shall manufacture and / or hold stock of jute goods (including imported jute products) meant for packaging purposes having more than 3% Non-halogenated Hydrocarbons (Jute Batching Oil) by weight. Apart from this the Office of the Jute Commissioner has number of times requested Central Excise and Customs to see that no illegal import of jute product takes place.