

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:212

ANSWERED ON:25.07.2006

SICK JUTE MILLS

Adsul Shri Anandrao Vithoba;Singh Shri Kirti Vardhan;Tripathy Shri Braja Kishore;Verma Shri Ravi Prakash

Will the Minister of TEXTILES be pleased to state:

- (a) the number of jute mills in the country along with the number of sick mills, State-wise;
- (b) the reasons for their sickness;
- (c) the measure taken to revive these sick mills and to provide adequate employment to jute workers;
- (d) whether there is any proposal for 100% packing of foodgrain and sugar in jute bags; and
- (e) if so, the steps taken by the Government to implement the said proposal in order to generate more employment in jute sector and the extent to which the Jute Industry is likely to be benefited by such decision ?

Answer

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

(a) The State-wise break up of total numbers of Jute Mills and sick jute-mills is as follows:-

Sl.No.	State	No. of Jute Mills	No. of Sick Jute Mills
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1.	West Bengal	61	30
2.	Orissa	1	1
3.	Tripura	1	1
4.	Andhra Pradesh	7	1
5.	Uttar Pradesh	3	2
6.	Bihar	3	1
7.	Assam	1	-
8.	Madhya Pradesh	1	-
Total:		78	36

(b) A combination of factors have resulted in widespread sickness of the jute industry, viz. high labour cost, obsolete machinery, uneconomical management practices, demand erosion due to competition from synthetics and instability in supply of quality raw jute of uniform specifications, faulty planning and lack of diversification etc.

(c) The Government is aware of the problems of jute mills and have taken a series of measures to remove their sickness and modernize the jute mills for larger employment generation, for example, financial assistance to jute mills through Technology Upgradation Fund Scheme (TUFS) and through JMDC's Incentive Scheme for Modernization of jute industry, the Jute Entrepreneurs Assistance Scheme (JEAS), Capital Subsidy Schemes of JMDC and NCJD providing External Market Assistance (EMA) Scheme for encouraging export of jute goods, prescribing 100% mandatory packaging for Foodgrains and Sugar in jute bags, proposal for setting up of a National Jute Board and launching of Jute Technology Mission etc.

(d) & (e) Yes Sir, the Government has decided for 100% compulsory packaging for Foodgrains and sugar in jute bags for the jute year 2006-07(July-June) and an Order to this effect is in the process of publication in the Official Gazette. The decision will benefit the jute growers, workers and the jute industry as a whole.