

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:2283  
ANSWERED ON:10.03.2016  
Closure of Jute Mills  
Saumitra Shri Khan

**Will the Minister of TEXTILES be pleased to state:**

- (a) whether the Union Government is aware about the closure of a large number of Jute Mills in the country including West Bengal;
- (b) if so, the State-wise details thereof and the reasons therefor;
- (c) whether a large number of workers rendered jobless as a result thereof;
- (d) if so, whether the Union Government has chalked out any concrete plan for the rehabilitation and re-employment to these workers; and
- (e) if so, the details thereof ?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE)  
IN THE MINISTRY OF TEXTILES  
(SHRI SANTOSH KUMAR GANGWAR)

(a) to (e): As on 29.02.2016, there are 26 closed jute mills in the country. The State-wise distribution of the closed mills is as follows: West Bengal-17; Andhra Pradesh-4; Uttar Pradesh-2; Chattisgarh-1; Bihar-1; Odisha-1.

The closure of jute mills is cyclical in nature. A large number of mill managements had mentioned low productivity and trade unionism as the main reason for closure of the mills. The jute mills resort to closure during lean season when Government orders are low and reopen the mills when orders pick up. In so far as the Government mills under National Jute Manufactures Corporation (NJMC) are concerned, 3 mills namely, Union Jute Mill, Alexandra Jute Mill and National Jute Mills have been closed as part of the approved revival plan of NJMC. All the erstwhile workers and staff of NJMC numbering 17411 have been paid their dues under the Voluntary Retirement Scheme approved by the Government.

In order to support the jute industry, the Government has been taking regular steps to protect the jute workers and jute farmers. The steps taken include - (i) under the Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987 it is mandated that 90% of the total food grain production and 20% of the sugar production should be packed in jute bags so that sufficient orders are available for the jute industry; (ii) All State Governments have been requested to promote the usage of jute geo-textiles for slope stabilization, formation settlement and reservoir management; (iii) jute diversification is being promoted and a scheme for setting up of Common Facility Centres (CFCs) to support Women Self Help Groups for the manufacture of jute diversified products has been launched on 1st September 2015; (iv) the modernization of jute mills is supported by the National Jute Board under the Incentive Scheme for Acquisition of Plant and Machinery (ISAPM).

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