

LOK SABHA  
UNSTARRED QUESTION NO.1031  
TO BE ANSWERED ON 08.02.2018

1031. SHRI P.K. KUNHALIKUTTY:

Will the Minister of TEXTILES वस्त्र मंत्री

be pleased to state:

- (a) whether the Government is aware of the import of gunny bags from Bangladesh and Nepal whereas the Indian jute industry is facing the problems in getting orders and if so, the details thereof;
- (b) whether the Ministry has received any report from Jute Commissioner that the statutory packaging order has been violated;
- (c) if so, the details thereof; and
- (d) the steps taken by the Government for the revival of jute industry and to prevent the import of jute bags from other countries?

उत्तर

ANSWER

वस्त्र राज्य मंत्री (श्री अजय टम्टा)  
MINISTER OF STATE FOR TEXTILES  
(SHRI AJAY TAMTA)

**(a):** No, Madam. The Indian jute industry has an assured market as State Procurement Agencies are required to purchase gunny bags manufactured in India from raw jute produced in India under the Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987.

**(b) & (c):** No, Madam.

**(d):** Government is implementing the following schemes and measures to support the jute manufacturing units and to strengthen the jute sector:-

**(i) Mandatory Packaging in Jute Materials:-**

Under the Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987, Government specifies the commodities and the extent to which they are mandatorily required to be packed in Jute Packaging Materials. At present, a minimum of 90% of food grains and a minimum of 20% of sugar are to be compulsorily packed in jute sacking. On an average, a total quantity of 26 to 28 lakh bales of jute bags is purchased in a year which takes care of almost 93% of the sacking capacity of the industry and the annual support by the Central Government to jute industry amounts to Rs.5500 crores.

**(ii) MSP operation in raw jute:-**

Whenever the market price of raw jute falls below a certain level, the Jute Corporation of India (JCI) procures raw jute at Minimum Support Price (MSP), fixed on the basis of recommendation of the commission for Agricultural Cost and Prices (CACP) from jute growers to safeguard their interest.

**(iii) Incentive Scheme for Acquisition of Plants and Machinery (ISAPM):**

Government of India launched ISAPM for Jute Industry and Jute Diversified Products Manufacturing Units, with effect from 1st October 2013. The basic aim of this scheme is to facilitate modernization in existing and new jute mills and up-gradation of technology in existing jute mills and to provide assistance to a large number of entrepreneurs to manufacture value added biodegradable Jute Diversified Products (JDP) as well as for modernization Jute up-gradation of technology.

**(iv) Jute-ICARE (Jute: Improved Cultivation and Advanced Retting Exercise):**

This pilot project launched in 2015 is aimed at addressing the difficulties faced by the jute cultivators by providing them certified seeds at subsidized rates, seed drills to facilitate line sowing, nail-weeders to carry out periodic weeding and by popularising several newly developed retting technologies under water limiting conditions. This has resulted in increased returns to jute farmers.

**(v) Market development and Diversification:-**

The National Jute Board implements various schemes for market development, workers welfare and promotion of diversification and exports. NJB has signed an MOU with National Institute of Design and a Jute Design Centre has been opened at Gandhinagar.

**(vi) Imposition of Anti-Dumping Duty:-**

Government has issued a notification on 5<sup>th</sup> January, 2017 imposing Definitive Anti-Dumping Duty on jute goods originating from Bangladesh and Nepal. Based on the current level of imports, the Industry has then estimated that this is likely to generate upto 2 lakh MT of additional demand for jute goods to be met by the Indian Jute industry. The following table depicts the volume of import of Jute goods vis-à-vis Jute Sacking Bags:

Year	Total import of Jute Goods Rs.in Crore	Import of Jute Sacking Bags Rs. in Crore
2015-16	1624.52	438.70
2016-17	1635.83	245.54
2017-18 (upto October 2017)	595.25	56.70

It has been reported that jute twine units in Andhra Pradesh which were shut down due to rampant dumping of Jute Yarn/Twine by Bangladesh, have resumed operations post above notification. Around 5,000 workmen are back to work and 15,000 people have been indirectly benefited.

**(vii) Mandatory Registration of jute Importers:-**

Government has made it mandatory for the entire chain from importers and traders to the level before the end-users, to register with the Office of Jute Commissioner, and furnish monthly reports on the imported goods.

**(viii) Marking on Imported Jute Bags:-**

Government through its Office of Jute Commissioner, Kolkata has also directed all manufacturers, importers processors and traders to mark/ print/ brand the words "Made in- Country of Origin" on imported bags. Customs have also been requested to maintain a strict vigil so that no unregistered importers/ traders can import jute and no unbranded jute goods can enter India.

**(ix) Jute SMART: -**

With a view to promoting transparency in jute sector, Jute SMART an e-government initiative was launched in December, 2016, providing an integrated platform for procurement of B-Twill sacking by Government agencies

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