

notice of the government of India.

Sick Jute Industry

10070. SHRI CHITTA BASU: Will the Minister of TEXTILES be pleased to state:

(a) whether the sickness is fast spreading in the jute industry;

(b) if so, the reasons therefor; and

(c) the steps taken to contain the sickness in the industry?

THE MINISTER OF TEXTILES AND MINISTER OF FOOD PROCESSING INDUSTRIES (SHRI SHARAD YADAV): (a) and (b). A large number of jute mills became sick during the last few years mainly due to imbalance and cost-price structure as a result of adverse trading conditions. While cost of production has been increasing rapidly on account of escalation in cost of raw material, power and direct inputs, sales realisation has not by and large matched rising cost account of sluggish demand. This is particularly due to shrinkage in demand both in the export and domestic markets for jute goods in the face of competition from synthetic substitutes.

(c) A statement on the same is given below.

STATEMENT

With a view to rejuvenating jute industry Government have initiated various measures from time to time which include:

- (1) Introduction of JMFS of Rs. 150 crores.
- (2) Creation of SJDF of Rs. 100 crores for implementation of various identified programmes in jute sector.

(3) Issue of reservation order for mandatory use of jute goods in certain specific sectors like food, graine, cement, fertilizers and sugar.

(4) Launching of IMA and EMA Schemes to provide subsidy on various diversified jute products for three years at the rate of 12%, 10% and 8% respectively on domestic sales and at the rate of 10% on exports.

(5) Permission for duty-free import of certain machinery of improved technology upto 31.12.90.

(6) Grant of CCS at the rate of 12% on export of almost all jute products to both manufacturers and merchant exporters.

(7) Procurement of jute bags for packing food-grains on a costplus pricing formula as district from market price.

(8) Sharing of entire losses by JMDC and STC on export of jute goods against global tenders for hessian and sacking at discounted prices.

(9) Exemption from payment of Excise Duty in respect of a number of diversified jute products as per Union Budget proposals for 1990-91 for encouraging product diversification by Jute Industry.

Delay in M.L.C. Reports

10071. SHRIMATI GEETA MUKHERJEE: Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

(a) the time for preparing a Report taken in Delhi based civil hospitals as per Govern-