

LOK SABHA
UNSTARRED QUESTION NO.1519
TO BE ANSWERED ON 26.07.2018

CLOSED JUTE MILLS

1519. SHRI TARIQ ANWAR:

Will the Minister of Textiles वस्त्र मंत्री
be pleased to state:

- (a) whether the Government/National Jute Manufactures Corporation Limited (NJMC) have initiated steps for the revival of closed jute mills in the country;
- (b) if so, the details thereof;
- (c) whether the Government has received any suggestion from NITI Aayog for revival of closed RBHM Jute mill in Katihar, Bihar; and
- (d) if so, the details thereof ?

उत्तर

ANSWER

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

(a) & (b): At present, 75 composite jute mills are functional in the Country. Government has taken a large number of measures for supporting the jute manufacturing units and strengthening the jute sector. These include:-

- i) To ensure consistent demand for jute mills, under the Jute Packaging Materials (Compulsory Use in Packing Commodities) [JPM 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, the annual Government support to jute industry on this account amounts to Rs. 6500 crores.
- ii) 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. Government of India has sanctioned Rs. 204 crores for four years starting 2014-15 to enable JCI to be in readiness for MSP operations. Further, a fund of Rs.100 crores has been approved for 2018-19 and 2019-20.
- iii) Incentive Scheme for Acquisition of Plants and Machinery (ISAPM): Government of India has 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 and 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) The National Jute Board implements various schemes for market development, workers welfare, promotion of diversification and exports.
- vi) The Government issued a notification on 5th 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 estimated that this has created scope for up to 2 lakh MT of additional demand for jute goods to be met by the Indian Jute industry.

A large number of mills are under private management. Closing and reopening of jute mills is a cyclical process which depends on various factors of production such as low productivity, trade unionism, raw material supply, fall in demand etc. As regards, National Jute Manufactures Corporation Limited (NJMC), this Public Sector Undertaking is among those identified by NITIAayog for closure.

(c): No, Madam.

(d): Does not arise.
