

Jute Mills

1977. SHRI A. C. DAS:
SHRI R. P. DAS:

Will the Minister of COMMERCE be pleased to state:

- (a) the names of the States where jute industry has been started;
- (b) the total number of jute mills functioning in those States;
- (c) whether it is a fact that the jute industry is facing a serious crisis and running in loss;
- (d) if so, what is the approximate loss of those jute mills;
- (e) the reasons of the loss; and
- (f) the steps Government propose to take for better performance of those jute Mills?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KHURSHEED ALAM KHAN):
a) and (b). At present 72 jute mill units are functioning in the States of West Bengal, Andhra Pradesh, Bihar, Uttar Pradesh, Assam, Tripura, Orissa and Madhya Pradesh.

(c) to (e). Presently Indian Jute industry is passing through a difficult period. While production in jute mills has been maintained at a satisfactory level, there is a problem of marketing due to continued depressed demand in both domestic and export markets. The recessionary conditions prevailing in developed countries and competition from Bangladesh and synthetic substitutes are adversely affecting the jute industry. On the basis of prevailing market prices, mills are incurring on an average losses of approximately Rs. 1430 per MT on hessian (40x10 oz.) Rs. 857 per MT on sacking (B. Twills) and Rs. 2707 per MT on Carpet backing cloth.

(f) Proposals regarding Cash Compensatory Support on exports and purchases through DGS&D for stimulating demand for jute goods are

under consideration of Government. The Jute Manufacturers Development Council is also in constant touch with the industry regarding operational efficiency through technical norms of input and output, reduction of cost, minimisation of wastages in processes and use of bye-products.

Controlled Cloth Scheme

1978. SHRI MUKUNDA MANDAL:
Will the Minister of COMMERCE be pleased to state:

(a) whether he is aware that the National Council of Applied Economic Research, after a study of the operation of the controlled cloth scheme in the past came out with the startling disclosure that only 15 per cent of the cloth reached the consumers in rural areas; and

(b) if so, the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KHURSHEED ALAM KHAN):
(a) and (b). On the basis of a survey conducted in September-October 1974, the National Council of Applied Economic Research in its report of May 1975 concluded that sales of controlled cloth in rural areas amounted to 15 per cent of the total sales. This is not the position at present. Since 1-1-1977, distribution of controlled cloth has been entrusted to the National Co-operative Consumers' Federation. Out of 57561 retail outlets engaged in the distribution of controlled cloth 46438 are in rural areas. Roughly 80 per cent of the controlled cloth is distributed in rural areas.

Working of Handlooms

1979. SHRI MUKUNDA MANDAL:
Will the Minister of COMMERCE be pleased to state:

(a) the number of handlooms in the country;