

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:576

ANSWERED ON:25.02.2010

JUTE GOODS IMPORT

Gaikwad Shri Eknath Mahadeo;Majumdar Shri Prasanta Kumar;Yaskhi Shri Madhu Goud

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

- (a) whether the jute goods from various countries particularly from Bangladesh are flooding in Indian market;
- (b) if so, whether the Indian Jute Mill Association has requested to impose a ban on the import of jute goods from foreign countries including Bangladesh;
- (c) if so, the action taken by the Union Government in this regard;
- (d) whether the Indian Jute Mills Association has also urged the Government to provide funds for the modernisation of the Jute Mills; and
- (e) if so, the reaction of the Government thereto?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SMT. PANABAACA LAKSHMI)

(a): No, Madam.

(b) & (c): The Indian Jute Mills Association (IJMA) has represented to the Government to impose a ban on the import of jute goods. However, the imports of jute goods are a miniscule proportion of domestic production. The imports during the year 2009-10 (till December 2009) were slightly higher compared to the corresponding period of last year, mainly due to Jute Mills strike which was from December 14, 2009 to February 13, 2010. The Government is not contemplating to impose a ban on the import of jute goods as it would be counter productive for the economy.

(d) & (e): The Government is aware of the technological obsolescence affecting the growth and development of jute textiles industry, and have taken steps to modernize the Jute Industry in consultation with various stakeholders, including the Indian Jute Mills Association (IJMA). This includes continuation of the Technology Upgradation Fund Scheme (TUFS), and implementation of Acquisition of Machinery and Plant (Capital Subsidy) under the Mini Mission-IV of the Jute Technology Mission (JTM) during the Xth Five Year Plan period.

The Government has enhanced the Cap on Subsidy for under the Acquisition of Machinery and Plant (Capital Subsidy) to Rs. 3.5 crore per mill in respect of existing mills and to Rs. 4 crore per mill in respect of new mills and mills in North Eastern States. This will give an incentive to the mills to modernize, upgrade technology, increase efficiency and thus reduce cost.