

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:556

ANSWERED ON:13.08.2012

PRODUCTION AND EXPORT OF JUTE

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Will the Minister of TEXTILES be pleased to state:

- (a) the number of jute mills functioning in the country along with details of their production and export of jute bag during the last three years in the country, State-wise;
- (b) whether the Government has noticed unprecedented rise in the prices of jute bags during the last three years;
- (c) if so, the details thereof along with the steps taken by the Government to provide sufficient number of jute bags to sugar industry at reasonable price;
- (d) whether the Government has modernised the jute mills in the country; and
- (e) if so, the details thereof along with the number of mills modernised so far and funds allocated thereon?

Answer

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

(a): There are 83 composite jute mills in the country. Out of the total 83 jute mills, 64 jute mills are located in West Bengal, 3 each in Bihar and U.P., 7 in Andhra Pradesh, 2 each in Assam and Orissa, 1 each in Tripura and Chhattisgarh. State-wise data about production and export of jute bags is not readily available and shall be laid on the table of the house in due course of time. However, the details of production and export of jute bags during the last three years in the country is as under:

(Quantity in '000 M. Tons)

Year Production Export

2009-10	921.6	26.5
2010-11	1076.9	40.6
2011-12	1165.1	81.1

(b) & (c): During the last year, the average price of jute bags has shown a decline with respect to the previous two years when there was a substantial increase over earlier years. This trend, however, is in sync with the Government price for the jute bags procured through the Directorate General of Supplies & Disposals (DGS&D). The details are as follows:-

(In Rs. / M. Ton)

Year	Govt. Price (Average)	Market Price (Average)
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B. Twill B. Twill A. Twill (used for
sugar packing)

2002-03	23760	22635	22085
2003-04	22636	21966	21452
2004-05	24840	23708	23689
2005-06	29832	28385	27599
2006-07	30014	30507	30077
2007-08	28194	27361	27153
2008-09	32108	32441	31362
2009-10	42,332	41,967	42,162
2010-11	53,193	49,119	49,718
2011-12	49,820	48,989	49,195

State participation in supply and distribution of sugar being minimal compared to that in foodgrains like wheat, paddy/rice, Sugar Sector procures its requirement of jute bags from the open market where availability of jute bags has been adequate. The Government, at the time of determining the percentage of foodgrains and sugar to be packed in jute bags, inter-alia, takes into account the availability of raw jute and the jute bag making capacity of the mills along with the projected demand for packaging of the foodgrains & sugar. Though, there has been an increase in the prices of jute bags over the years for sugar, it has been generally in sync with the Government price for jute bags procured for foodgrains.

(d) & (e): Out of 83 composite jute mills, 6 mills are under Government of India's Public Sector Undertaking, 1 mill (Tripura) is under State Government, 2 mills (Assam Co-op. & New Central) are in the co-operative sector and 74 are privately owned mills. As per the decision of Cabinet Committee on Economic Affairs, out of the six Government jute mills, three are to be modernised. The process of modernisation has been initiated. The onus of modernisation of private mills is on their respective owners. However, under the Jute Technology Mission, subsidy is given to the jute mills/jute units for modernisation and upgradation. The upper limit of subsidy is Rs. 3.50 crore per jute mills for the existing units and Rs.4.00 crore for mills at North Eastern States and for setting up new units. As on 31st March, 2012, a subsidy of Rs.57.71 crore has been released against investment for modernisation of Rs.283.06 crore.