

LOK SABHA
UNSTARRED QUESTION NO.3350
TO BE ANSWERED ON 12.07.2019

CRISIS IN JUTE INDUSTRY

3350. SHRI KHAGEN MURMU:
SHRI RAJA AMERESHWARA NAIK:
DR. SUKANTA MAJUMDAR:
SHRI VINOD KUMAR SONKAR:

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

- (a) whether the Government is aware of crisis in Jute Industry including closure of Jute Mills, loss of jobs, intense competition and cheap imports from Bangladesh;
- (b) if so, the total quantity and value of jute/jute products produced and imported/exported during the last three years, product/country-wise;
- (c) whether the Government has received any representations from some jute mill owners requesting intervention in the matter;
- (d) if so, the details thereof and the other steps being taken by the Government for welfare of jute workers and development of Jute Industry in West Bengal;
- (e) the details of schemes being implemented by the Government to increase the production and export of jute;
- (f) the steps taken by the Government to resolve the problems of jute producers in the country; and
- (g) the details of jute mills modernised by the Government during the said period, mill and State-wise?

उत्तर

ANSWER

वस्त्र मंत्री (श्रीमती स्मृति जूबिन इरानी)

MINISTER OF TEXTILES
(SMT. SMRITI ZUBIN IRANI)

(a) to (c): There is no report of crisis in jute industry including closure of jute mills, loss of jobs, intense competition and cheap imports from Bangladesh. In-fact, during the last two years 10 jute twine mills have re-opened in Andhra Pradesh benefitting 20,000

workmen directly and indirectly. With a view to protect domestic jute industry, anti-dumping duty on import of jute goods from Bangladesh and Nepal has been imposed w.e.f. 5th January, 2017. The details of jute/jute products produced and imported/exported during the last three years is at Annexure-A.

(d) to (f): Government of India is implementing various schemes for welfare of jute workers, improving productivity and quality of jute and overall development of jute industry in jute growing states. The details of various schemes implemented for upliftment of jute sector are at Annexure-B.

(g): National Jute Board (NJB) is implementing the Incentive scheme for Acquisition of Plants and Machinery (ISAPM) for modernization in Jute mills & JDP units. During 2014-15 to 2018-19, NJB has released capital subsidy amounting to Rs. 4971.19 lakhs to jute mills and JDP units.

Year	2014-15	2015-16	2016-17	2017-18	2018-19*
Assistance/Subsidy (Rs. In lakhs)	362.18	355.57	1739.21	1427.23	1087.00
No. of Mills / unit	18	22	39	52	27

Details of jute mills those who participated under this scheme and availed assistance are given at Annexure C.

Annexure-A

Production of Jute Goods

Qty: '000 M. Tons

	Hessian	Sacking	Carpet Backing Cloth	Yarn	Others	Total
2016-17	178.6	871.6	3.0	93.3	45.8	1142.3
2017-18	173.3	902.7	1.9	51.7	48.5	1178.1
2018-19	141.0	846.5	0.5	45.2	47.1	1080.3

Source: Indian Jute Mills Association

Total Exports of Jute goods

Qty: 000' M. Tons
Value: Rs. / Crore

Year	Hessian		Sacking		Yarn		Others		JDPs	Total	
	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value	Value	Qty.	Value
2016 - 17	78.6	930.18	46.6	411.80	9.2	72.76	4.1	68.50	590.95	140.7	2074.20
2017 - 18	86.8	917.24	44.8	407.19	16.9	130.19	4.2	72.43	631.49	155.3	2158.56
2018 - 19	64.1	802.69	37.0	432.91	13.6	109.42	7.0	112.75	815.50	121.7	2273.27

Source: DGCI&S, Kolkata

Total Imports of Jute goods (from Bangladesh)

Qty: 000' M. Tons
Value: Rs. / Crore

Year	Hessian		Sacking		Yarn		Others		JDPs	Total	
	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value	Value	Qty.	Value
2016 - 17	5.9	57.56	43.8	307.43	79.1	502.43	9.7	54.17	10.02	140.2	931.60
2017 - 18	11.9	122.37	45.4	413.73	50.0	310.94	7.5	23.82	9.43	115.4	880.28
2018 - 19	18.1	184.40	54.1	432.66	49.2	292.13	5.8	30.39	12.34	108.3	951.92

Source: DGCI&S, Kolkata

Exports of jute goods to Top 20 Countries

Value: Rs. / Crore

Sl.	2016-17			2017-18			2018-19		
	Country	Value	%	Country	Value	%	Country	Value	%
1	U S A	415.31	20	U S A	454.07	21	U S A	492.73	22
2	GHANA	168.62	8	GHANA	183.87	9	GHANA	258.38	11
3	U K	155.92	8	U K	141.81	7	U K	158.82	7
4	GERMANY	99.81	5	COTE D' IVOIRE	107.53	5	NETHERLAND	114.62	5
5	NETHERLAND	98.37	5	GERMANY	99.75	5	AUSTRALIA	98.70	4
6	AUSTRALIA	82.40	4	NEPAL	92.59	4	GERMANY	97.19	4
7	SAUDI ARAB	71.74	3	NETHERLAND	82.63	4	COTE D' IVOIRE	81.15	4
8	COTE D' IVOIRE	68.05	3	SAUDI ARAB	78.49	4	SPAIN	76.63	3
9	SUDAN	56.18	3	AUSTRALIA	48.37	2	INDONESIA	52.82	2
10	U ARAB EMTS	51.10	2	U ARAB EMTS	47.17	2	NEW ZEALAND	52.69	2
11	CANADA	42.95	2	TURKEY	42.14	2	SAUDI ARAB	52.13	2
12	ITALY	42.43	2	INDONESIA	39.57	2	FRANCE	47.59	2
13	EGYPT A RP	39.23	2	CANADA	38.63	2	ITALY	39.99	2
14	SPAIN	34.72	2	BELGIUM	37.46	2	U ARAB EMTS	39.67	2
15	NEW ZEALAND	33.38	2	ITALY	37.38	2	BELGIUM	36.93	2
16	BELGIUM	32.94	2	SPAIN	36.70	2	JAPAN	34.06	1
17	TANZANIA REP	32.61	2	EGYPT A RP	35.90	2	CANADA	33.15	1
18	TURKEY	32.51	2	TANZANIA REP	31.81	1	SUDAN	32.70	1
19	JAPAN	28.51	1	NEW ZEALAND	31.46	1	TANZANIA REP	32.70	1
20	FRANCE	27.45	1	FRANCE	30.68	1	PERU	19.82	1
	Total of 20 countries	1614.23	79	Total of 20 countries	1698.01	80	Total of 20 countries	1852.47	79
	Total of All jute goods	2074.20		Total of All jute goods	2158.56		Total of All jute goods	2273.27	

Source: DGCI&S, Kolkata

Steps/Schemes for welfare of jute workers, development of jute industry, resolving problems of jute producers and increasing productivity and export of jute:

(i) Mandatory Packaging in Jute Materials:-

Under the Jute Packaging Materials (Compulsory Use in Packing Commodities) 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 100% of food grains and a minimum of 20% of sugar are to be compulsorily packed in jute sacking.

(ii) MSP operation in raw jute:-

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.

(iii) Workers' Welfare Scheme:

(a) Swachhatta Abhiyan – Sulabh Sauchalaya:

NJB provides assistance to the jute mills for improvement of sanitation, health facilities and working conditions of jute mill workers. The rate of assistance is @90% of actual expenses subject to maximum of Rs. 60.00 lakh (per mill / annum). Under this scheme, 1365 Toilet units have been constructed in 46 Jute Mills from 2014-15 to 2018-19.

(b) Scholarship Scheme for the girl children of the workers of jute mills, JDP-MSMEs:

NJB provides Scholarship / Incentive support to the girl children of the workers of Jute Mills / JDP – MSME units on passing out Secondary and Higher Secondary examinations. Scholarship / Incentive of Rs. 1133.05 lakh have been given to 17,722 girl children of Jute Mills / JDP MSME workers for being successful in Secondary and Higher secondary examinations from 2014-15 to 2018-19.

(iv) JUTE –ICARE (Jute : Improved Cultivation and Advanced Retting Exercise):

National Jute Board (NJB) in association with Jute Corporation of India Ltd (JCI) and Central Research Institute for Jute and Allied Fibres (CRIJAF), Ministry of Agriculture is implementing an scheme for welfare of Jute farmers namely Jute –ICARE (Improved Cultivation and Advanced Retting Exercise) for the last four years in a phased manner covering 69 blocks under jute growing states till 2018-19. Through this scheme, the farmers have been encouraged to grow jute by using certified seeds, adopting scientific technique in jute cultivation and retting to produce quality jute and increase productivity and to reduce the cost of jute production for the jute farmers.

(v) Incentive Scheme for Acquisition of Plant & Machinery:

Keeping in mind the need to modernise the jute mills by increasing their productivity and to replace the old machines by new and technologically advanced machines; National Jute Board (NJB) has been implementing schemes for modernization of jute industry. The scheme has been instrumental in bringing new investment to the industry. The ISAPM scheme has been launched in 2013 with an incentive @20% of the cost of machineries to Jute mills and 30% to the MSME -JDP units. During 2014-15 to 2018-19, capital subsidy amounting to Rs. 4971.19 lakhs to jute mills and JDP units has been released.

(vi) Market Promotion Support-

Market Promotion support is provided to the jute artisans, entrepreneurs, weavers, NGOs, Women Self Help Groups (WSHGs) for selling, marketing and promotion of their products in India and abroad. The fairs organized by NJB are means of livelihood to these groups of people. Some of the prominent events among others were - IITF, Delhi, Surajkund Mela, Tex Trends, Delhi, Taj Mahotsav, Lucknow Mahotsav, Shilpgram Udaipur, Giftex, Mumbai, Indian Handicrafts and gift fair, Greater Noida etc where National Jute Board organise and facilitate participation of jute units for promotion of jute products. The Market Promotion Support beneficiaries are JDP Units, Jute Mills, WSHGs etc.. The Market promotion fairs/exhibitions are organised and participated in throughout the country. NJB also provides export promotion supports to the jute exporters and facilitate participation in International fairs ,Business delegation, Buyer Seller Meet (BSM) for boosting exports.

(vii) Design Development Scheme - NJB Jute Design Cell at NID:

A Jute Design Cell for development of Jute Shopping Bags and Lifestyle Accessories has been set up at the Innovative Centre for Natural Fibres (ICNF) of National Institute of Design (NID), Ahmedabad.

(viii) Jute Integrated Development Scheme (JIDS) -

JID Scheme aims at setting up local units and agencies at distant locations around the country through collaboration with bonafide bodies to carry out various activities. JID agencies act as a facilitator for providing Basic, Advance and Design Development training programmes and rendering the backward and forward linkages to the existing and potential entrepreneurs at grass-root levels mainly on technology application and design /product development and disseminations.

(ix) Jute Raw Material Bank (JRMB) Scheme -

The scheme has been designed to make jute raw material available to the small and tiny artisans / entrepreneurs locally at mill gate price, suiting to the present requirement and sustainability of the decentralized JDP sector in the country.

(x) Export Market Development Assistance Scheme–

Export Market Development Assistance (EMDA) Scheme facilitates registered manufacturers and exporters of jute products to participate in international fairs and business delegation abroad for export promotion of lifestyle and other JDPs and boost exports. During 2014-15 to 2018-19, an amount of Rs. 17.21 crores has been disbursed to registered jute exporters for participation in international fairs under the scheme.

(xi) Retail Outlet of Jute Diversified Products and Bulk Supply Scheme-

Retail Outlet scheme supports supply chain and bulk supply of JDPs by the jute entrepreneurs for selective and mass consumption. During 2014-15 to 2018-19, an amount of Rs. 347.90 lakh has been provided to 80 beneficiaries/entrepreneurs under this scheme.

Annexure-C

State/Mill-wise disbursement of Incentive under ISAPM Scheme

Sl. No.	Name of the Jute Mill	Incentive Amount released			Total (Rs.)
		2016-17 (Rs.)	2017-18 (Rs.)	2018-19 (Rs.)	
West Bengal					
1	Hooghly Infrastructure Pvt. Ltd. (Hukumchand Jute Mill)	6,139,800	2,029,000	153,000	8,321,800
2	Dalhousie Jute Company	880,000	7,628,666	3,258,000	11,766,666
3	Kanknarrah Co. Ltd.	826,952	6,477,827		7,304,779
4	Alliance Mills (Lessees) Ltd.	6,687,000	944,000	4,567,000	12,198,000
5	Aditya Translink (P) Ltd. (Samnuggur North)	1,444,000	236,000		1,680,000
6	Jagatdal Jute & Industries Ltd.	4,974,385		5,107,000	10,081,385
7	RDB Textiles Limited (Victoria Jute Mill)	1,165,200	1,665,000	6,249,400	9,079,600
8	Vijai Shree Ltd. (Fort William Jute)	890,000	2,985,000	2,346,000	6,221,000
9	Ashoka Exports	270,520	386,400	697,435	1,354,355
10	Ludlow Jute & Specialities Ltd.	2,030,920	2,576,602		4,607,522
11	Cheviot Company Ltd.	13,761,506		211,500	13,973,006
12	The Angus Company Ltd.	697,000	225,600		922,600
13	The Naihati Jute Mills Co. Ltd.	2,830,400	14,988,000		17,818,400
14	Caledonian Jute & Industries Ltd.	2,771,000	2,928,600	2,359,700	8,059,300
15	Bowreah Jute Mill Private Ltd.	16,704,400	2,104,800		18,809,200
16	Jankalyan Vinimay Pvt. Ltd. (Megna Jute Mills)	807,000	1,780,000		2,587,000

17	Maheswari Jute Spinners Pvt. Ltd.	4,898,000	1,609,600		6,507,600
18	The Empire Jute Company Ltd.	832,000			832,000
19	Reliance Jute Mills (Int.) Ltd.	4,447,400	5,284,993	4,986,000	14,718,393
20	Gloster Limited	14,898,096	4,082,800		18,980,896
21	Kamarhatty Company Ltd.	4,379,000			4,379,000
22	Premchand Jute & Industries Pvt. Ltd.	8,184,171			8,184,171
23	Kamakshi Jute Industries Ltd.	3,973,444			3,973,444
24	Birla Corporation		25,000,000		25,000,000
25	Sree Durga Fibre Products		820,000	820,000	1,640,000
26	Uma Spinners Pvt. Ltd.		1,020,000		1,020,000
27	Agarpara Jute Mills Ltd.		5,856,187		5,856,187
28	Richie Bags & Fashion Pvt. Ltd.		92,824		92,824
29	Trand Vyappar Ltd.		1,115,000	110,000	1,225,000
30	G.D.Cement Pvt. Ltd.		360,000		360,000
31	OSB Overseas Pvt. Ltd.		146,700		146,700
32	CMTF Exports Pvt. Ltd.		400,500		400,500
33	Kariwala Industries Ltd.		1,930,324		1,930,324
34	The Baranagore Jute Factory Plc.		4,408,200		4,408,200
35	Ganges Jute Pvt. Ltd.		10,022,724		10,022,724
36	ECO Jute Pvt. Ltd.			1,545,400	1,545,400
37	Tepcon Int. (I) Ltd.			1,686,000	1,686,000
38	Goyeal Merchants Pvt. Ltd.			1,388,000	1,388,000
39	The Hooghly Mills Co. Ltd.			27,000	27,000
40	Budge Budge Co. Ltd.			9,887,200	9,887,200
41	Ashis Bags &				

	Fashions Pvt. Ltd.			571,200	571,200
42	Earth Bags Exports Pvt. Ltd.			2,464,422	2,464,422
43	Auckland Int. Ltd.			1,666,800	1,666,800
44	Mahadeo Jute & Industries Ltd.			352,000	352,000
45	Patra Jute Mill Pvt. Ltd.			410,000	410,000
	Total : (A)	104,492,194	109,105,347	50,863,057	264,460,598
Andhra Pradesh					
1	Andhra Pradesh Fibres Limited	178,000			178,000
2	Sri Sitarama Lakshmi Jute Mills (P) Ltd.	1,328,258			1,328,258
3	Rajam Poly Packs Ltd.	360,000			360,000
	Total : (B)	1,866,258			1,866,258
Assam					
1	Prakash Jute Industries Pvt. Ltd.			2,230,000	2,230,000
	Total : (C)			2,230,000	2,230,000
	Grand Total : (A) + (B) + (C)				268,556,856
