

LOK SABHA
UNSTARRED QUESTION NO. 4338
TO BE ANSWERED ON 13.12.2019

JUTE PROCESSING

4338. SHRI SUNIL KUMAR PINTU:
SHRI SHRINIWAS PATIL:
PROF. SAUGATA RAY:
DR. SUBHASH RAMRAO BHAMRE:
SHRIMATI SUMALATHA AMBAREESH:
SHRIMATI SUPRIYA SULE:
SHRI KULDEEP RAI SHARMA:
SHRI SUNIL DATTATRAY TATKARE:
DR. AMOL RAMSING KOLHE:

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

- (a) the number of jute processing industries functioning in the country, along with their production, State-wise along with schemes formulated by the Government to promote jute industry;
- (b) whether the export of the jute products from the country has declined as a result of which jute industries have been affected;
- (c) if so, the details of jute products exported during each of the last three years and the current year, industry/country wise along with the foreign exchange earned therefrom and the reasons for this decline;
- (d) the steps taken by the Government to provide financial assistance to jute industries in order to enable them to compete in the global market;
- (e) whether the Government has devised any mechanism to ensure the maximum prices for the produce of jute farmers in view of the surplus jute production in the country;
- (f) the other steps taken by the Government to promote jute industry in the country;
- (g) the problem faced by the Government to boost the export of jute products and the corrective steps taken in this regard;
- (h) the measures taken/being taken to promote jute industry and to revive closed traditional jute textile mills in the country particularly in the States like Bihar and Jharkhand;
- (i) whether the Government has any proposal to procure the entire jute produced by farmers in the country; and
- (j) whether the Government has waived off/giving subsidy and other loans to textile yarn/jute related products and other product manufacturers in the textile industry and their units?

उत्तर

ANSWER

वस्त्र मंत्री (श्रीमती स्मृति जूबिन इरानी)
MINISTER OF TEXTILES
(SMT. SMRITI ZUBIN IRANI)

(a): There are 75 operational jute mills in the country based on the returns submitted to the Office of Jute Commissioner. State wise information of the mills including their production is given below:

	2018-19 (Apr- Mar)				No. of Operational Jute Mills Submitting Returns
	Hessian	Sacking	Others	TOTAL	
Andhra Pradesh	0.0	30.0	4.4	34.4	7
Uttar Pradesh	2.8	1.7	1.1	5.6	1
Bihar	0.0	0.0	0.0	0.0	1
Odisha	0.0	5.6	5.0	10.6	2
Assam	0.1	10.3	0.0	10.4	2
Chhattisgarh	0.0	11.8	0.0	11.8	1
Tripura	0.0	0.0	0.0	0.0	1
West Bengal	144.7	852.9	90.8	1088.4	60
TOTAL	147.6	912.3	101.3	1161.2	75

The schemes formulated by the government for the promotion of jute sector are given below:

(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) Jute Industry Modernization Scheme: Incentive Scheme for Acquisition of Plants & Machinery (ISAPM):

The Incentive Scheme for Acquisition of Plant & Machinery (ISAPM) for modernization in Jute mills & JDP units is implemented to increase the productivity of the jute machinery and making them efficient by replacing the old machines by new and technologically advanced machines. During 2014-15 to 2018-19, capital subsidy amounting to Rs. 49.71 crores to jute mills and JDP units has been released.

(iii) Jute Farmers' Welfare Scheme: JUTE –ICARE:

A Jute-ICARE (Improved Cultivation and Advanced Retting Exercise) project is being implemented since the last four years with an objective to introduce package of scientific technique of Jute cultivation and retting exercises for improving fibre quality and productivity and reducing the cost of jute production and to increase income of jute farmers. The scheme has covered 69 blocks comprising land area of 98,897 hectares and around 2 lakh farmers by year 2018-19.

(iv) Workers' Welfare Scheme:

(A) Swachhatta Abhiyan – Sulabh Sauchalaya: Assistance to the jute mills is provided 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.

(v) Export Market Development Assistance Scheme:

The 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 Jute fairs under the scheme.

(vi) 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. 3.48 crores has been provided to 80 beneficiaries/entrepreneurs under this scheme.

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

A Jute Design Cell for development of Jute Shopping Bags and Lifestyle Accessories has also been set up at the Innovative Centre for Natural Fibres (ICNF) of NID (National Institute of Design), Ahmedabad whose prime objective is to develop newer and innovative Products through design and technology intervention for value addition and better market at home and abroad. NID has already developed more than 100 woven, dyed, finished samples for jute lifestyle accessories and has showcased low cost jute carry bags as an alternative against plastic bags, collapsible jute bags etc. Jute bags namely fashion, Tote Bags, Foldable hand bags (natural & dyed).

(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. JID agencies are also the prime source for market facilitation to the Jute Diversified Products (JDP) units, SHGs, WSHGs, NGOs, thus help in creating and sustaining the production units thereby generating employment to thousands of people in the rural areas through entrepreneurship development and the setting up of Self Help Groups, particularly Women Self Help Groups (WHSGs). During 2016-17 to 2018-19, 1060 trainees have been imparted trainings for production of various jute diversified products.

(ix) Jute Raw Material Bank (JRMB) Scheme

The scheme aims at accelerating the pace of JDP activities in the country by catering to need of MSME-JDP units for production of JDPs so that jute raw materials are supplied to them regularly at mill gate price and to help them manufacture high value products, both for domestic and international markets. This is a sustainable process to increase production base for JDPs and to provide employments to rural masses particularly the women for which selected competent

organizations/agencies provide backward and forward linkages. The JRMBs act as a complement to the training & skill development efforts being made by the JID agencies in their respective regions to develop new WSHGs, artisans & entrepreneurs in addition to serving the existing WSHGs, artisans & entrepreneurs.

(x) 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.

(b) & (c): Export trend of jute products from India shows an increasing trend. Given below in the table, the export performance of jute goods during last 3 years:

Qty : 000' M.Ton and Value :Rs./Crore

Product	2016-17		2017-18		2018-19	
	Qty	Value	Qty	Value	Qty	Value
Hessian	78.56	930.18	86.80	917.24	64.11	802.70
Sacking	46.63	411.81	44.77	407.20	37.09	432.91
Yarn	9.26	72.76	16.98	130.19	13.61	109.42
Jute Diversified Products (JDPs)viz. Floor Coverings, Hand/Shopping Bags, Wall Hangings, Gift Articles, Decorative Fabrics etc.		590.95		631.49		815.51
Total incl. Others	140.68	2,074.21	152.79	2,158.56	121.68	2,273.27
Equivalent Total US\$ Million		(US\$ 309 million)		(US\$ 335 million)		(US\$ 325 million)

Source : DGCI&S, Kolkata

Exports of jute goods to Top 20 countries during last 3 years with export value is enclosed at **Annexure –I**.

(d): A number of schemes have been implemented to provide assistance to jute industries in order to enable them to compete in the global market. The details of the scheme are given below:

- (i) Export Market Development Assistance Scheme (EMDA): It is being implemented to facilitate 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. The registered jute exporters are entitled for reimbursement of the expenditure on space rent +decoration upto maximum 50% and economy class Airfare (for 2 passengers) + Accommodation up to maximum 50% subject to maximum of Rs 3.75 lakh (being 50% of total expenditure of Rs 7.50 lakh). During 2014-15 to 2018-19, an amount of Rs 1720 lakhs has been disbursed to

registered jute exporters for participation in International fairs for export, promotion of Jute Products under the scheme. Export of jute products are also covered for benefit under Duty Drawback Scheme and other market linked export promotion schemes of Ministry of Commerce, Govt. of India. The schemes facilitate the jute exporters to negotiate the business deals with international buyers at reasonable price.

(ii) Incentive Scheme for Acquisition of Plants & Machinery (ISAPM): The Incentive Scheme for Acquisition of Plant & Machinery (ISAPM) for modernization in Jute mills & JDP units is implemented to increase the productivity of the jute machinery and making them efficient by replacing the old machines by new and technologically advanced machines. During 2014-15 to 2018-19, capital subsidy amounting to Rs. 49.71 crores to jute mills and JDP units has been released.

(e) & (i): Whenever the market price of raw jute falls below a certain level, the Jute Corporation of India (JCI) procures raw jute without any quantity ceiling 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. CACP takes the view of all the stakeholders and factor in all the contributors catering to inflation, before giving the recommendation of MSP for every year.

(f): Information has already been furnished in reply **(a) to (e)**.

(g): Due to cost advantage for jute mills in Bangladesh along with export subsidy and other incentives by the Bangladesh government along with better quality of raw jute available in Bangladesh, Bangladesh is able to out price India in most of the foreign markets. However, Government of India has been taking all possible measures to boost jute industry in the country by implementing various schemes for development and promotion of jute sector. Further, for computing the Allocation Ratios for the jute mills for distribution of government orders of B. Twill sacking each year, incentive is given to mills for greater product diversification with higher dispatch value in domestic/foreign markets.

(h): Details of steps / schemes formulated by the Government to promote jute industry have already been enumerated in the above reply. The issue of re-opening of closed mills is a subject being handled by the respective states. However, to protect/revive the jute industries, Government of India has decided to continue Jute Packaging Material (Compulsory Use in Packing Commodities) Act, 1987 keeping in view the interest of raw jute growers and workers involved in the jute industry. This Act has provided uninterrupted market for jute bags. Also, the Government of India has imposed Anti-Dumping Duty to protect Indian Jute growers and farmers. After the imposition of Anti-dumping duty w.e.f. 5.1.2017, an additional demand of 2 lakh Metric Tonnes has been generated in the domestic market for the jute industry, which has led to the reopening of more than 10 Jute Twine Mills located in Andhra Pradesh, benefitting 20,000 workmen directly and indirectly.

(j): The information related to jute sector has already been enumerated in the above points. In regards to Handloom Sector, a 90% subsidy is provided for procurement of upgraded looms and accessories under Hathkargha Samvardhan Sahayata Yojna for better quality and productivity of handloom products. 10% subsidy is provided on hank yarn which is applicable on cotton, domestic silk, wool and linen yarn with quantity caps. 100% subsidy in case of SC/ST, Women and BPL weavers is provided for construction of work shed and 75% subsidy in the case of weavers above poverty line. The Government is also providing reimbursement of 75% of fees towards admission to NIOS/IGNOU courses in case of SC, ST, BPL and Women learners belonging to handloom weaver's families.

Annexure-I

EXPORT OF ALL JUTE GOODS TO TOP 20 IMPORTING COUNTRIES (VALUE WISE)

Value: Rs./Million

	2016 - 2017			2017 - 2018			2018 - 2019		
Sl. No.	Country	Value	%	Country	Value	%	Country	Value	%
1	U S A	4,153.10	20	U S A	4,540.69	21	U S A	4,927.31	22
2	GHANA	1,686.18	8	GHANA	1,838.75	9	GHANA	2,583.83	11
3	U K	1,559.22	8	U K	1,418.15	7	U K	1,588.23	7
4	GERMANY	998.10	5	COTE D'IVOIRE	1,075.29	5	NETHERLAND	1,146.20	5
5	NETHERLAND	983.70	5	GERMANY	997.48	5	AUSTRALIA	987.03	4
6	AUSTRALIA	824.01	4	NEPAL	925.93	4	GERMANY	971.86	4
7	SAUDI ARAB	717.41	3	NETHERLAND	826.29	4	COTE D'IVOIRE	811.50	4
8	COTE D'IVOIRE	680.53	3	SAUDI ARAB	784.99	4	SPAIN	766.32	3
9	SUDAN	561.77	3	AUSTRALIA	483.70	2	INDONESIA	528.16	2
10	U ARAB EMTS	510.98	2	U ARAB EMTS	471.74	2	NEW ZEALAND	526.86	2
11	CANADA	429.47	2	TURKEY	421.44	2	SAUDI ARAB	521.35	2
12	ITALY	424.30	2	INDONESIA	395.69	2	FRANCE	475.86	2
13	EGYPT A RP	392.27	2	CANADA	386.32	2	ITALY	399.94	2
14	SPAIN	347.25	2	BELGIUM	374.65	2	U ARAB EMTS	396.69	2
15	NEW ZEALAND	333.83	2	ITALY	373.85	2	BELGIUM	369.32	2
16	BELGIUM	329.45	2	SPAIN	367.05	2	JAPAN	340.60	1
17	TANZANIA REP	326.11	2	EGYPT A RP	359.05	2	CANADA	331.50	1
18	TURKEY	325.12	2	TANZANIA REP	318.10	1	SUDAN	327.04	1
19	JAPAN	285.09	1	NEW ZEALAND	314.63	1	TANZANIA REP	326.96	1
20	FRANCE	274.47	1	FRANCE	306.80	1	PERU	198.21	1
	Total of 20 Countries	16,142.36	79	Total of 20 Countries	16,980.59	80	Total of 20 Countries	18,524.77	79
	Total Export	20,742.07		Total Export	21,585.00		Total Export	22,732.72	
