

Government has removed anti-dumping duty on PTA, a key raw material for the manufacture of MMF fibre and yarn. To enhance local sourcing, the Consolidated FDI Policy (Effective from August 28, 2017) reads as under:

For Single Brand Product Retail Trading:- "In respect of proposals involving foreign investment beyond 51%, sourcing of 30% of the value of goods purchased will be done from India, preferably from MSMEs, village and cottage industries, artisans and craftsmen, in all sectors."

For Multi Brand Retail Trading:- "At least 30% of the value of procurement of manufactured/ processed products purchased shall be sourced from Indian micro, small and medium industries, which have a Total investment in plant and machinery not exceeding US \$ 2.00 million."

Status of jute mills

2197. SHRI AHAMED HASSAN: Will the Minister of TEXTILES be pleased to state:

(a) whether a number of jute mills in various States including West Bengal have been closed/on verge of closure, the details thereof and the reasons therefor, State-wise and steps taken by Government for revival of these mills;

(b) whether not a single new jute goods manufacturing unit has been set up during last several years and whether existing jute industry is ailing due to lack of demand of jute in the country; and

(c) whether there is an urgent need to modernise jute mills set up in the country, if so, details thereof and if not, reasons therefor?

THE MINISTER OF TEXTILES (SHRIMATI SMRITI ZUBIN IRANI): (a) The State-wise list of all the jute mills closed as on 04/03/2020 is given in the Statement-I (See below). As regards the reasons, it is intimated that these mills are closed primarily due to labour unrest, absenteeism and low productivity. For the revival of jute mills, some major steps have been taken by the Government. Details of some initiatives are given in the Statement-II (See below).

(b) A jute mill namely Maa Annapurana Jute Mill in Dakshin Dinajpur in West Bengal has been set up in the last five years. So far as jute industry is concerned, the domestic demand/consumption of jute goods is increasing slightly during last 3 years. Statistics is shown as under:-

Year	Total Jute Goods Production (000'M. Ton)	TOTAL Domestic Consumption of Jute goods (000'M.Tons)	% to TOTAL Production
2016-17	1142.3	1075.4	94%
2017-18	1178.1	1112.7	94%
2018-19	1161.4	1113.6	96%

Source: Indian Jute Mills Association, Kolkata

(c) Yes, there is an urgent need for modernization of jute mills and jute diversified producing - MSME units. Modernization would lead to increase productivity of jute machinery and making them efficient by replacing old machines by new and technologically advanced machines.

Government of India through NJB is implementing Incentive Scheme for Acquisition of Plant and Machinery (ISAPM). In this scheme, an incentive of 20% of the cost of new machinery for jute mill and 30% for JDP - MSME units is considered for reimbursement, subject to maximum of Rs 2.50 crore per unit - Under the scheme, Capital Subsidy amounting to ₹ 4933 lakh to Jute mills and JDP units has been released during 2014-15 to 2018-19.

Year	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20 (Upto Jan'20)
Expenditure ₹ In lakhs	362.18	484.72	1739.21	1427.23	920.11	1212.20*
No. of Mills/unit	18	22	39	52	27	45

* Provisional expenditure. Estimated budget ₹1500 lakh

Statement-I*The State-wise list of all the jute mills closed in last few years*

Sl. No.	Closed Mills	State	Date of closure
1	2	3	4
1.	Gouripur	WB	04-09-1998
2.	Alexandra	WB	01-09-2002
3.	National	WB	17-02-2003
4.	Union	WB	11-03-2003
5.	Soorah	WB	29-03-2004
6.	Khardah	WB	26-12-2015
7.	Jai Jute	WB	10-01-2017
8.	Kanoria	WB	11-01-2017
9.	Kinnision	WB	31-08-2016
10.	India	WB	28-05-2018
11.	Gondalpara	WB	29-05-2018
12.	Howrah	WB	09-12-2019
13.	Weaverly	WB	30-01-2020
14.	Kankarrah	WB	12-02-2020
15.	Chitavalsah	A.P.	19-04-2008
16.	Eastcoast	A.P.	31-05-2014
17.	Aruna	A.P.	02-11-2015
18.	Bobbili	A.P.	03-08-2015
19.	Sri Bajrang	A.P.	04-07-2015
20.	RBHM	Bihar	08-01-2016
21.	Kanpur	UP	13-04-1987
22.	J.K.Jute	U.P.	08-03-2014

1	2	3	4
23.	Mohan	Chhattisgarh	20-12-2008
24.	Konarak	Odisha	22-11-2012
25.	Rameswara	Bihar	06-07-2017

Statement-II*Details of initiatives taken for revival of mills*

- (i) **Imposition of Anti-Dumping Duty:-** Government of India also imposed Anti-Dumping Duty to protect Indian Jute growers and farmers. Based on application filed by Indian Jute Mills Association before the Designated Authority, i.e. Director General, Anti-Dumping and Allied Duties for initiation of Anti-Dumping duty on the import of jute products originating in or exports from Bangladesh and Nepal; DG, Anti-Dumping and Allied Duties initiated investigation. The Authority recommended definitive anti-dumping duty on imports of subject goods from Bangladesh and Nepal and Ministry of Finance imposed the Anti-dumping duty under Notification dated 5th January, 2017 to protect the interests of Indian Jute Industry and the persons engaged in the industry.

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. Therefore, Anti-dumping duty has served to protect the interests of Indian Jute Industry and the persons engaged in the industry.

- (ii) **Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987:-** Under the Jute Packaging Materials (Compulsory Use in Packing Commodities) [JPM 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. On an average, the annual Government support to jute industry on this account amounts to ₹ 7500 crores.
- (iii) **Inclusion of jute products under Technical Textiles items:-** Recently, Directorate

General of foreign Trade (DGFT) has issued a Notification dated 15th January, 2019 incorporating 207 items as Technical Textiles out of which 15 items are related with jute.

- (iv) Minimum Support Price (MSP) for Raw Jute and Mesta:- Minimum Support Price for raw jute and mesta is fixed every year to protect the interest of farmers. While fixing prices of different grades, the issue of discouraging production of lower grade jute and encouraging production of higher grades jute are taken into consideration so as to motivate farmers to produce higher grade jute.
- (v) Incentive Scheme for Acquisition of Select Machinery:- To increase the productivity of the jute machinery and make these efficient by replacing the old machines by new and technologically advanced machines, NJB has been implementing schemes for modernization of jute industry. During the Jute Technology Mission (JTM) (2007-2013), a scheme known as 'Acquisition of Plant and Machinery' (APM) (Capital subsidy) was instrumental in bringing in investment of more than ` 500 crore. Considering success of the JTM scheme, the Incentive Scheme for Acquisition of Plant and Machinery was launched in 2013. The scheme in its present form is valid upto 31 st March, 2020.
- (vi) On-Going Scheme for Jute Farmers: JUTE -ICARE: —This pilot project launched in 2015 is aimed at addressing the difficulties faced by the jute cultivators by providing them certified seeds at subsidized rates, seed drills to facilitate line sowing, nail-weeders to carry out periodic weeding and by popularising several newly developed retting technologies under water limiting conditions. This has resulted in increased returns to jute farmers. Encouraged by the success of this pilot project, the project has been extended till 31st March, 2020. This Ministry has given a Total of ₹ 45.35 crore grant to NJB for a period of three years (2017-18 to 2019-20).
- (vii) Usage of Jute Geo-Textiles (JGT) in NER States:- Jute geotextiles being technical textiles is an eco-compatible solution to crucial geotechnical problems such as Soil erosion, Consolidation of Soft Soil, Construction of Rural Roads and for agro-textile applications. Continuous interactive awareness programmes have been organized with the Engineers and other stakeholders in various States including North East for increasing uses of jute geotextiles. The progress in application of jute geotextiles includes, 118 rural roads (approx. 900 K.Ms) under PMGSY, 36

flood embankments in West Bengal, 9 roads in UP (43 K.Ms) under constructions, 2 river embankments in Bihar under constructions, 1 road in Tamil Nadu (2.8 K.Ms) under PMGSY and Indian Railway used about 46 lakhs sq.mtrs of JGT has strengthening embankment.

(viii) Apart from this, the National Jute Board (NJB) has been implementing several measures for the benefit of workers, artisans and small producers and for promotion of the jute industry. These include:

- (a) Export Market Development Assistance Scheme to facilitate registered manufacturer exporters of jute products to participate in international fairs and take business delegations abroad for export promotion of lifestyle and other diversified jute products.
- (b) Jute Integrated Development Scheme (JIDS) aims at setting up local units and agencies at distant locations around the country through collaboration with bona-fide bodies to carry out various activities. JID agencies act as a facilitator for rendering the backward and forward linkages to the existing and potential entrepreneurs, imparting awareness and training at grass-root levels mainly on technology application and design/product development and disseminations. JID agencies are also a prime source for market facilitation to the Jute Diversified Products (JDP) units, SHGs, WSHGs, NGOs.
- (c) Jute Raw Material Bank (JRMB) Scheme aims at accelerating the pace of JDP activities in the country by catering to the jute unorganised sector and the production units so that jute raw material is supplied to them regularly at economic rates *i.e.* mill gate price plus actual transportation cost, to help them manufacture high value products, both for domestic and international markets.
- (d) Retail Outlet of Jute Diversified Products Scheme for providing assistance to jute entrepreneurs for opening of outlets of jute lifestyle jute products in Metro Cities, State capitals, District Head Offices and Tourist spots.
- (e) Design Development Scheme - NJB Jute Design Cell at NID 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 bags, Tote bags, foldable hand bags at various fairs, exhibitions in domestic and international markets.

- (f) Focused Market Initiatives for organising and participation in Jute Fairs, National Fairs/Regional Fairs, Export oriented fairs in India and abroad to extend marketing support to the artisans, small and micro entrepreneurs.
- (g) Skill Development Program: Various Skill Development programmes are conducted for providing training on manufacture of jute diversified products to correctional homes like inmates of Tihar Jail, New Delhi, families/beneficiaries of the Delhi Police, Border Security Force (BSF) and other institutions. Many of the beneficiaries have started production and marketing of jute products with the support of NJB.
- (h) Continuous Market Support is provided to jute artisans, entrepreneurs, weavers, NGOs, Women Self Help Groups 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, Haryana; Tex Trends, Delhi; Taj Mahotsav; Lucknow Mahotsav; Shilpgram, Udaipur; Giftex, Mumbai; Indian Handicrafts and Gift Fair, Greater Noida etc.
- (i) Development and Promotion of Jute Diversified Products:- Several steps have been taken for promoting better agronomic practices in jute farming, promotion of the Jute Diversified Products (JDPs) and their marketing, support for technological up-gradation of jute mills, etc.
- (j) Subsidy Scheme for Distribution of Certified Seeds:- This is a scheme for distributing certified jute seeds to the farmers. Certified jute seeds are being distributed at a subsidy of ₹ 40/kg under the scheme. The network of Jute Corporation of India (JCI) is being utilized for implementation of the scheme.

The scheme aims at improving the quality and productivity of raw jute and fetching better returns to the farmers.

Encouragement to research and innovation in textile sector

2198. SHRI SUSHIL KUMAR GUPTA: Will the Minister of TEXTILES be pleased to state:

(a) whether Government has any plan for technological upgradation, enhancement of productivity, product diversification and financial arrangements for the textile sector in the country;

(b) if so, the details thereof; and

(c) whether Government is planning to encourage research and innovation in this sector by encouraging investments?

THE MINISTER OF TEXTILES (SHRIMATI SMRITI ZUBIN IRANI): (a) and (b) The Government is implementing Amended Technology Upgradation Fund Scheme (ATUFS), a credit linked Capital Investment Subsidy (CIS) scheme during 2016 to 2022 with an outlay of ₹ 17822 crore to catalyze capital investments for technology upgradation and modernization of the textile industry. The scheme promotes ease of doing business in the country and achieve the vision of generating employment and promoting exports through "Make in India" with "Zero effect and Zero defect" in manufacturing. The scheme facilitates augmenting of investment, productivity, quality, employment, exports along with import substitution in the textile industry. It also indirectly promotes investment in textile machinery (having benchmarked technology) manufacturing. Every eligible individual entity (not the unit) will be entitled for reimbursement of Capital Investment Subsidy (CIS) under this scheme, as per the following rates:

Sl. No.	Segment	Rate of Capital Investment Subsidy (CIS)
1	2	3
1.	Garmenting, Technical Textiles	15% subject to an upper limit of ₹ 30 crores
2.	Weaving for brand new Shuttle-less Looms (including weaving preparatory	10% subject to an upper limit of ₹ 20 crores