

Government of India **Ministry of Textiles**

OFFICE OF THE JUTE COMMISSIONER CGO Complex, 3rd MSO Building, E & F Wings, DF BLOCK, 4th Floor, Sector-I, Salt Lake City, Kolkata – 700064

No.Jute(Mktg)/135/2020-Rabi-21-22

Date:12-04-2021

To

All Jute Mills

Sub: Policy for B-Twill allocation of jute bags in an effort to timely supply of jute bags.

Sir,

In continuation of this office letter of even number dated 26-02-2021 on the above subject and subsequent response to the said policy vide its letter dated 18-03-2021 from IJMA, a meeting was held with the officials of IJMA on 30-03-2021 under the Chairmanship of the Jute Commissioner to discuss about the Policy for B-Twill allocation of jute bags. The decisions of the meeting are hereby circulated to all jute mills for their information and necessary action.

Deputy Director Marketing

Record note of discussion on issues relating to Policy for B-Twill allocation held through Video Conference on 30-03-2021 at 11-00 A.M under the Chairmanship of Jute Commissioner.

List of participants is enclosed (Annexure-I)

- 1. Chairman, IJMA informed that allocation ratio is currently based on 2016-17 data. He informed that during the last 4-5 years, the machinery capacity and the capacity utilization of jute mills have substantially changed. Therefore, the current data of jute mills needs to be revised for B-Twill allocation.
- 2. Deputy Jute Commissioner informed that to update the data, information have already been sought from all jute mills. There are some jute mills who have not yet furnished relevant data. Chairman, IJMA assured that his Association will assist in ensuring furnishing data from the concerned jute mills if name of such jute mills are provided to them.
- 3. Chairman, IJMA suggested that obtaining monthly supply commitments from mills for full financial year would provide some mills the flexibility to make provisions for export. This would obviate the practice of avoiding B-Twill allocation by some jute mills at their convenient time by showing export orders.

Deputy Jute Commissioner is of the view that obtaining monthly supply commitments from jute mills would help a section of jute mills to avoid certain amount of B-Twill allocation by reducing their supply commitments by 20-30% of their capacity. He further stated that as per Cabinet decision, relaxation in B-Twill allocation for jute mills who have export commitments may continue whenever there are genuine export orders, irrespective of time of export.

Jute Commissioner has also stated that export order is an intermittent issue and jute mills are not in a position to assess the time of bagging of export order or the quantum of export order well in advance. Considering the views expressed by the Dy. Jute Commissioner and difficulty in assessing export order by jute mills, the idea of obtaining supply commitments may not be a judicious decision.

4. After detailed discussions, it was consensually agreed the Policy for B-Twill allocation as follows:

Backlog % range	Proposed allocation norm
0-5%	Incentive for extra allocation, at the option of the mill, up to 20% of usual allotment.
Above 5% - 10%	Usual share as per allocation percentage.
Above 10% - 30%	Penalty for reduced allocation up to 20% of usual allotment.
Above 30% - 50%	Penalty for reduced allocation up to 40% of usual allotment.
Above 50%	No allocation.

- 5. The Dy. Jute Commissioner, however, made it clear that above arrangement will be without prejudice to the Jute Commissioner's power to take action as per provisions of the Jute & Jute Textiles Control Order, 2016.
- 6. The meeting ended with thanks to all concerned.
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List of participants:

	Office of Jute Commissioner
1.	Shri Moloy Chandan Chakrabortty, Jute Commissioner In Chair
2.	Shri Kousik Chakraborty, Deputy Jute Commissioner
3.	Shri T.K.Mondal, Deputy Director (Mktg.)
	Indian Jute Mills Associations
1.	Shri Raghav Gupta, Chairman
2.	Shri Rishav Kajaria, Deputy Chairman
3.	Shri Manish Poddar, Committee Member
4.	Shri Arun Kumar Lohia, Committee Member