



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)/2/2003

Date: 15-03-2017

To
The Director,
All Jute Mills.

Sub: Submission of documents/contracts of jute goods other than Govt. A/c.

Sir,

This office has already issued Production Control-cum-Supply Order under Jute and Jute Textiles Control Order, 2016 on different eligible jute mills for a total quantity of 10.22 lakh bales during November to March, 2017. Against the ordered quantity, jute mills have supplied 7.42 lakh bales as on 13-03-2017 leaving a backlog of around 2.80 lakh bales (27.3%). In addition to this backlog quantity, the jute mills are required to supply further quantity of around 2.95 lakh bales in the months of March & April, 2017.

2. After reviewing the projected quantity and the trend of supply by jute mills, it has been found that there will be a considerable shortfall in the supply of jute bags. In order to make arrangement for packaging material for packing foodgrains, the Central Government has allowed dilution to the tune of 5.0 lakh bales of HDPE/PP bags so far. Even after granting dilution of 5.0 lakh bales, the overall supply performance of the jute industry remained unsatisfactory.

3. The jute industry at the beginning of the season committed to supply 3.5 lakh bales in a month but subsequently they have reduced their commitment to 3.0 lakh bales. It has been observed that over the last four months, the jute industry could never achieve the target of 3.0 lakh bales in a month committed by the industry. The jute industry cannot justify such underperformance to the Govt. sector despite having large manufacturing capacity.

4. With a view to ensure supply of jute bags to the Govt. agencies as per the time schedule, this office had issued an Order dated 07-02-2017 on jute mills. This order directs jute mills to utilize their necessary and adequate installed sacking capacity for exclusive manufacture of the specified quantities of B.Twill jute bags on Govt. A/c and that no part of the aforesaid capacity shall be diverted in any manner for production of other kind of jute goods till the entire ordered quantity is executed to the Govt. Despite issuing such Order, the pace of supply has not improved at all to the extent it is required.

5. The Central Government has taken a very serious view on the non-performance of the jute industry. The state govt. agencies have also expressed serious concern over the non-receipt of jute bags which may likely to jeopardize the procurement operations. If the supply performance does not improve immediately, stern action will be initiated against the erring jute mills. Further, granting fixed amount of relaxation for HDPE/PP bags for the seasons to come cannot be ruled out after considering the actual supply performance of the jute industry.

6. It has come to our notice that presently a number of jute mills are selling jute sacking bags at a large scale in the open market to realize higher price at the cost of Govt. supply. We feel that this is the most important reason for such underperformance of the jute industry. In the meeting held under the Chairmanship of JS(Jute)/Jute Commissioner on 14-03-2017 in IJMA, it was unequivocally suggested by all the owners of the jute mills that for the long term benefit, the jute industry should rise to the occasion and utilize its entire sacking capacity to supply jute bags to Government account.

7. In order to secure implementation of the Order dated 07-02-2017 issued by this office for utilization of 100% sacking capacity for Govt. supply, jute mills are hereby directed under clause 9 of the Jute & Jute Textiles Control Order, 2016 to henceforth submit copies of relevant papers/contracts relating to all kind of sale of jute goods in the open market before effecting delivery to this office for permission. These papers will be examined by this office keeping in view the backlog position of the allotted quantity of different PCSOs. No jute mill will be permitted to sale jute goods in the open market without obtaining permission from this office. For examining these documents, a Cell has been constituted in this office headed by Shri Sujit Pal, Director(Cost) [Tel No. 2337-6978]. Mills are, therefore, directed to send all these documents to the Cell in the names of Ms. RajaniBehera, Inspector and Shri Sukumar Sarkar. This direction will remain valid upto 30th April, 2017.

Yours faithfully,

(DipankarMahto)

Deputy Jute Commissioner

Copy to :

The Chairman, IJMA. – For information and necessary action.