



ISMA/77/2024

June 21, 2024

Mr. J.K. Gupta  
Scientist E & Head (Textiles)  
Bureau of Indian Standards  
Ministry of Consumer Affairs, Food & PD,  
Government of India  
Manak Bhavan,  
9 Bahadur Shah Zafar Marg,  
New Delhi – 110002

Dear Sir,

**Sub: Industry's Response on draft BIS specifications TXD 03 Jute Sectional Committee on Jute Bags for packing 50 kg Sugar.**

We appreciate the Bureau of Indian Standards efforts in maintaining quality standards for various products including for jute bags used for packing 50 KG sugar. The draft standards prescribe details and requirements of five type of jute bags for packing 50 KG sugar. However, the sugar industry is experiencing several challenges related to these specifications which will not suit for sugar on its shelf life without caking , getting moisture and even discoloration before delivering to customer.

The contamination of sugar with Jute fiber is also a major problem while consumption. Jute bags Liable to burst during falling even from small heights resulting in sugar loss.Hence, Please find the following to your attention.

Jute holds huge moisture ( any thing between 25 to 40% depend on climate) and sugar also being hygroscopic, will take moisture and will become wet. This will deviate FSSAI spec once it becomes wet. Hence, inner liner or lamination is must to protect moisture from bag or external, irrespective of any type of Jute Bags ( A, B, C, D or E). With Jute bags with liner costs around Rs 70 for 50 Kg bags when it lands to factory compared to Rs 20 per bag for PP bags ( with liner). Additional cost of Rs 50 (around Rs. 1 - 1.50 per KG of sugar) is not accepted by customers. FSSAI specification also poses challenge in using Jute bags to maintain quality of sugar.

Comments on specification.

1. **Inner Liners in Jute Bags (Clause 4.5):** The draft specifies that only Type C and Type E bags shall be provided with inner liners, excluding Type A, B, and D bags. Historically, when jute bags were used for 100 kg sugar packaging, a loose inner liner was employed and tied inside the outer stitched jute bag. With the 50Kg packaging, inserting and tying a loose inner liner is impractical, and stitching the inner liner directly

to the jute bag is posing huge challenges with stitching machine ( Jute& inner liner Vs PP bag and inner liner).

*Recommendation:* We suggest considering inner laminated bags as an alternative. Laminated bags could better maintain the quality and safety of both the product and the bag. Cost of such bags will be lower than inner liner Hemmed bags. Inner lamination will be done with thin layer compared to 25 micron liner.

2. **Printing Challenges on Jute Bags:** Sugar mills are required to print specific information on the bags as per FSSAI guidelines including manufacturing addresses, Company name, and indications for non-retail purposes etc. Currently, there are no local contractors capable of providing stencil printing services on jute bags, whether with or without liners. Stencil printing was possible decades back when content to print was limited. Now with FSSAI requirement, site printing is not possible.

*Recommendation:* We request that BIS considers this practical challenge and provides solutions such as issuing printed bags that are customized for sugar packaging. Now required contents were printed on both sides of PP bags. Sample is enclosed here with. This becomes more challenging in case of group companies who have many sugar complexes and variety of sugar.

3. It is pertinent to mention here that in view of the above submissions, especially the need to maintain good quality of sugar at reasonable prices without imposing a significant financial burden on sugar mills is crucial as well as to adhere to the international packaging norms, we seek a full exemption of packing sugar in jute bags as per JPMA mandate. This will help ensure that the quality standards and economic viability of sugar packaging are maintained.

Thank you for considering our submissions. We look forward to a positive response and are open to further discussions to address these issues comprehensively.

Thanking you

Yours sincerely



Deepak Ballani  
Director General

Encl: (1) Sample of printing as per FSSAI norms

(2) Letter to Secretary, Ministry of Textiles dated 31<sup>st</sup> May, 2024

SWEETENING LIVES  
SINCE  
1842



# WHITE CRYSTAL SUGAR

## ISS Grade - M-30

Double Sulphitation

Net quantity: 50 kg

### BRAND OWNED & MARKETED BY

**E.I.D. - Parry (India) Ltd.**  
Dare House, 234, NSC Bose Road,  
Chennai – 600 001, Tamil Nadu, India.

*fssai*

Lic. No. 12421999000493

### MANUFACTURED AND PACKED BY

For manufacturing and Packed at  
locations refer to the first character of the  
Lot No, see back side for details

### Nutritional Information (approx.)

Nutrients	Per 100 g	Per serving (5 g)	% RDA as per WHO*
Energy (Kcal)	400.00	20.0	10.0
Protein (g)	00.00	00.0	00.0
Carbohydrates (g)	99.95	05.0	10.0
of which added Sugar (g)	00.00	00.0	00.0
Total Sugar (g)	99.95	05.0	10.0
Total Fat (g)	00.00	00.0	00.0
Cholesterol (mg)	00.00	00.0	00.0
Sodium (mg)	00.00	00.0	00.0

\*Approximate Value \*\*Recommended Dietary Allowance

\*World Health Organisation (WHO) recommends free sugar intake at all stages of life to under 10 percent of physical calories. This equals a maximum of 50 g of sugar per day for the average adult (at a calorie intake of 2,000 kcal).

Ingredient : Plantation White Sugar

Lot No. :

Date of packaging :

Use by date :

**NOT FOR RETAIL SALE**

SIZE OF THE BAG - 90 CM X 59 CM



# MANUFACTURED AT:

**(N) E.I.D. - Parry (India) Ltd.**

138, Keel Arungunam Road, Nellikuppam - 607 105,  
Cuddalore District, Tamil Nadu.

*fssai* Lic. No. 10012042000302

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**(P) E.I.D. - Parry (India) Ltd.**

Pugalur - 639 113, Karur District, Tamil Nadu

*fssai* Lic. No. 10012042000312

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**(H) E.I.D. - Parry (India) Ltd.**

Hullatti Village, Haliyal - 581 329  
District Uttara Kannada, Karnataka, India

*fssai* Lic. No. 10012043000432

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**(B) E.I.D. - Parry (India) Ltd.**

NH-13, Nagara Post, Nainegali - 587 207,  
Bagalkot Taluk & District, Karnataka.

*fssai* Lic. No. 10012043000434

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**(S) E.I.D. - Parry (India) Ltd.**

Sankili village - 532 440, Regidi Amadalavalasa Mandal,  
Vizianagaram District, Andhra Pradesh

*fssai* Lic. No. 10013044000496

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**(R) E.I.D. - Parry (India) Ltd.**

Khanpeth Village, Ramdurg - 591 114,  
Belagavi District, Karnataka

*fssai* Lic. No. 10012043000433

ISMA/68/ 2024.

31<sup>st</sup> May, 2024

**The Secretary,  
Ministry of Textiles,  
Udyog Bhawan,  
New Delhi.**

Sir,

**Subject: Exemption of sugar from Jute Packaging Materials Act (JPMA)**

The Jute Packaging and Materials Act was enacted in 1987, and included four products, namely, food grains, fertilizers, sugar & cement. Cement was exempted from JPMA in 1998 followed by fertilizers in 2001. Currently, only food grains and sugar continue to be under JPMA.

2. We would like to make the following submissions on behalf of the industry: -

**A. Quality of jute bags is hurting sugar and its consumers**

- The large gaps in the jute bags of around 1.5 cms, allow leakage of sugar and moisture regain and hence the possibility of fibres getting mixed in sugar which then affects the quality of sugar packed. Bad quality of sugar then under FSSAI attracts penalties. Also, since jute being hygroscopic, has a tendency to gain more moisture than a plastic bag and air and moisture are to be absolutely avoided, given that the sugar deteriorates on exposure to moisture, jute bags are certainly not the best option, to avoid the formation of lumps and loss in color.
- The jute fibre very easily gets mixed into the sugar, which is unacceptable to the sugar consumers, especially, the bulk consumers who are very quality conscious, like beverage manufacturers, confectioners, juice makers, ice-cream makers, bakeries etc. Also, to soften the jute, batching oil is used, which then very easily gets mixed into sugar, when sugar is packed in such jute bags. Unlike food grains, which are cleaned, washed and only then cooked, sugar is directly consumed, and, therefore, such batching oil and jute fibre gets mixed with the food products made out of jute or directly by us.
- Also sugar season last for 6 months and sugar produced in these 6 months is sold in next 12-14 months. Therefore, in monsoon season, jute cloth being porous attracts moisture from air and sugar becomes moist thereby falling below ISS grade, resulting in reprocessing. Thus, causing huge financial loss.
- It is also pertinent to mention here that 65% of the sugar is consumed by the bulk/industrial consumers who do not prefer sugar packed in jute bags due to quality standards and norms and therefore, poses a significant concern for sugar mills.

- Export packaging plays a vital role to enhance the amiability of sugar in different climatic conditions. It is pertinent to highlight here that in the international market, PP/HDPE bags are adopted as a practice for packaging of sugar. There are specifications particularly prescribed for packaging of sugar in such PP/HDPE bags, as per the export contracts. The reason for preferring such PP/HDPE bags commonly across the world is due to its properties of moisture-proof, water-proof & thus ensuring good quality besides cost-effective. Thus, the jute bags are non-suitable for packaging of sugar even as per international standards practice.

Please find enclosed herewith a chart showing the packaging material used for sugar packing in the world as ANNEXURE 1.

#### **B. Inadequate availability of jute bags**

- ISMA, has been continuously submitting its submissions and seeking for exemption of sugar from the jute packaging, which is pending for consideration with Textile Ministry.
- During the last 10 years, sugar production has increased from around 24.5 million tonnes in 2013-14 to around 32 million tons in 2023-24 i.e. an increase of about 30 %. In view of the above, it is an established fact that Jute Industry shall not be able to meet the entire demand of sugar industry.
- C-type inner laminated jute bags as committed by IJMA in a meeting are not available as per IS specifications, in the market. Pursuant to requesting members to comply with jute packaging, our members are purchasing inner lined A-Twill jute bags at a huge cost which are not getting accepted in the market especially by the industrial consumers and therefore stocks are getting piled up. There are few BIS approved vendors in the market to meet the adequate demands of the sugar mills.

#### **C. High prices of jute bags**

- A 50 kg. jute bag costs approximately Rs 50 against the cost of PP/HDPE bags which is Rs 15-16. In other words, the cost of jute bags is three times the price of PP/HDPE bags. **This unnecessary huge burden of Rs. 35 for 50.kg bag or Rs 70 per quintal on sugar for a bag, which is not even suitable for packing sugar besides causing quality issues and harmful to the sugar consumers, resulting in a loss of Rs. 650 Crore to the sugar industry annually even at 20% packaging.**
- It is pertinent to mention that there are no buyers of jute bags in the market especially to take in gunny bags without liner and institutions are not accepting gunny bags under FSSAI compliance challenge from jute threads, moisture from jute, handling at their end etc and the additional cost paid for such bags is all accounted as loss.
- Cost impact is around bag cost + printing cost + packing and stacking cost. Present stitching heads to be changed, but there is no stitching head suiting both gunny bag and inner-liner. Earlier, inner liner used to be tied inside in a

100 Kg bags. It is not possible to supply sugar in bags to customers without inner liner.

**3. Recommendations of various committees**

There are several committees and Government authorities which have recommended for full exemption of sugar from packaging in jute bags. Similarly, CACP, which is on record showing that compulsory packing does not encourage jute industry to develop and diversify into high value products, has recommended for total exemption in case of sugar sector. The Rangarajan Committee including the Chief Economic Adviser had recommended that sugar should be exempted from JPMA. The same has been enclosed as ANNEXURE 2

**4. Compliance under FSSAI**

In addition to the above problems, we are also now faced with strong requirements/procedures on the quality of sugar, including its safety for the consumers. FSSAI already has prescribed the procedure to be followed to ensure safety of sugar in our sugar processing and production in our mills. However, once such top quality of sugar is produced, but is then forcibly packaged in jute bags, which not only allows contamination with jute fibre and batching oil, exposes the sugar to moisture and open air, because of the large gaps in jute bags, will certainly invite lot of criticism very soon not only from the FSSAI, but the conscious consumers.

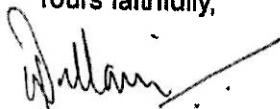
Mills are also facing challenge to print as per FSSAI guidelines (data to be printed) at site including nutrition information, Lot no, manufacturing addresses, in addition to earlier details like Mfc date, expiry, Company name, specification etc. There is no stencil method operating contractors locally to comply with the same.

In view of the above submissions, especially the need to maintain good quality of sugar at reasonable prices, it is time that sugar is totally exempted from JPMA. The reservation under JPMA is 30 years old now and such a reservation for any industry, which is at the cost of any other sector including farmers, should be discontinued.

Sir, our humble request to you is to remove sugar totally from JPMA.

Thanking you,

Yours faithfully,



Deepak Ballani  
Director General

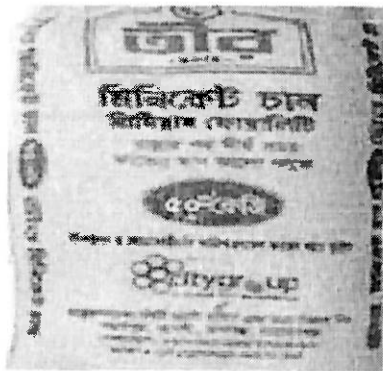
CC: Secretary (Food), Department of Food & Public Distribution  
CC: Joint Secretary (Sugar), Department of Food & Public Distribution  
CC: Chief Director (Sugar), Department of Food & Public Distribution

## Summary of Sugar Packing in World

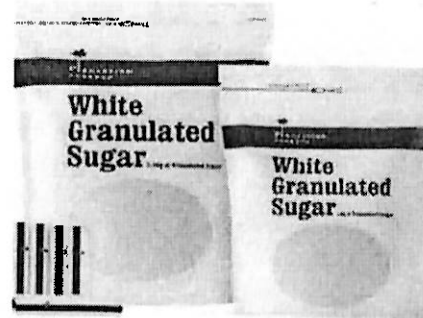
<p>Afghanistan PP Bag</p>	<p>Albania PP Bag</p>
	
<p>Algeria PP Bag</p>	<p>Angola Paper Bag</p>
	
<p>Armenia PP Bag</p>	<p>Australia Paper Bag</p>
	



Bangladesh PP Bag



Barbados PP Bag



Bhutan PP Bag



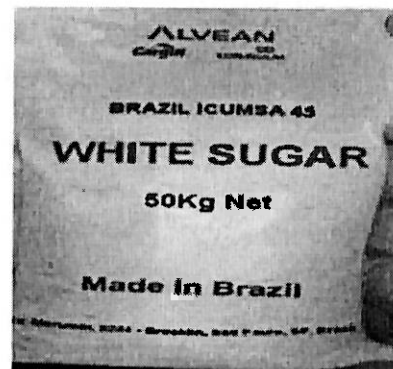
Botsawana PP Bag



Bulgaria PP Bag



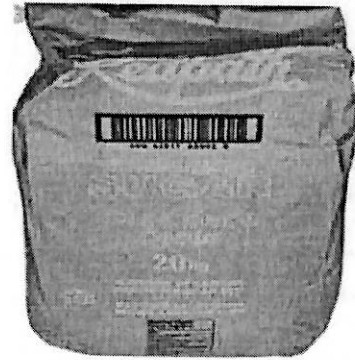
Brazil PP Bag



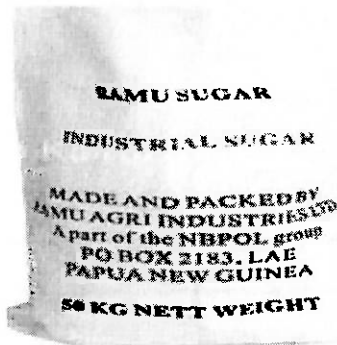
Cameroon PP Bag



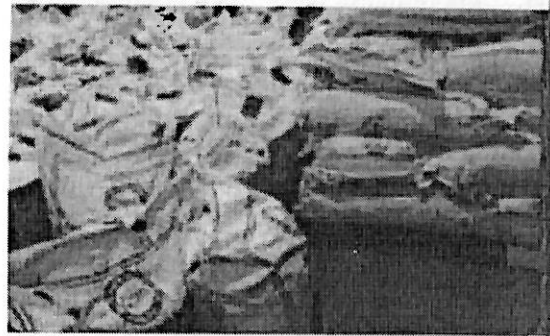
Canada Paper Bag



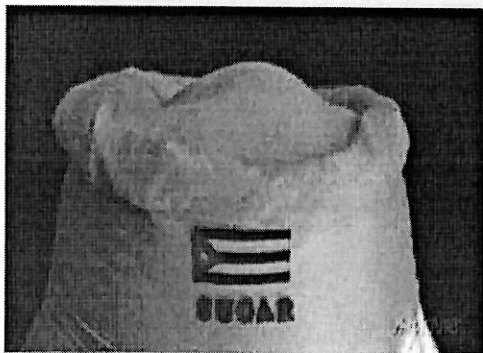
China PP Bag



Cambodia Paper Bag



Cuba PP Bag



Dubai PP Bag



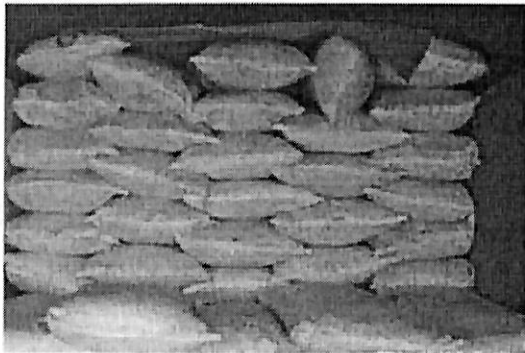
Egypt PP Bag



Ethiopia PP Bag



Estonia PP Bag



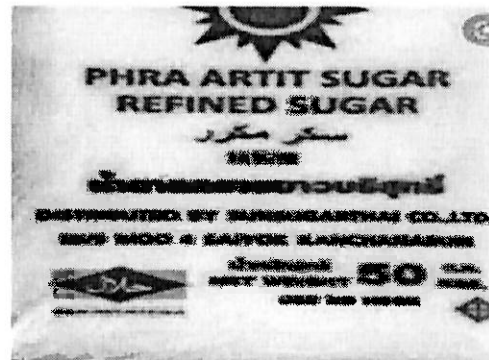
Fiji PP Bag



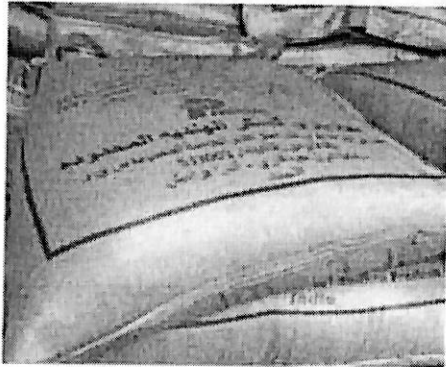
Germany PP Bag



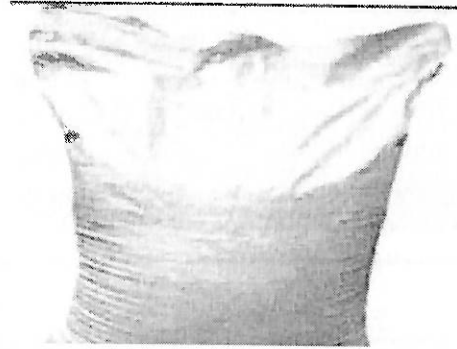
Hungary PP Bag



Indonesia PP Bag



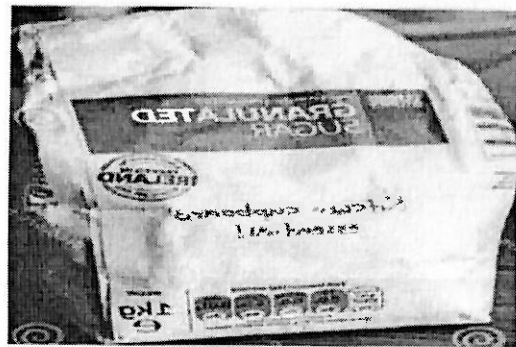
India PP Bag



Iraq PP Bag



Ireland PP Bag



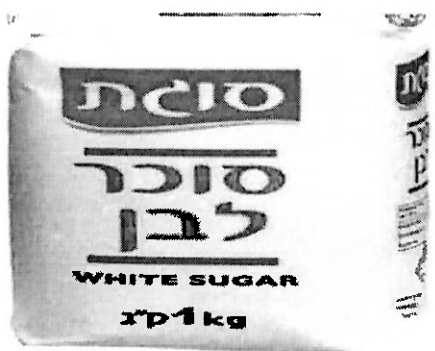
Italy PP Bag



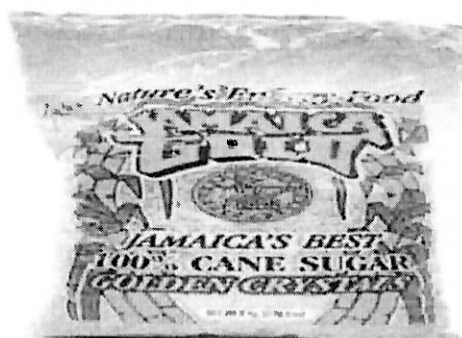
Iran PP Bag



Israel PP Bag



Jamaica PP Bag



Kazakistan PP Bag



Kenya PP Bag



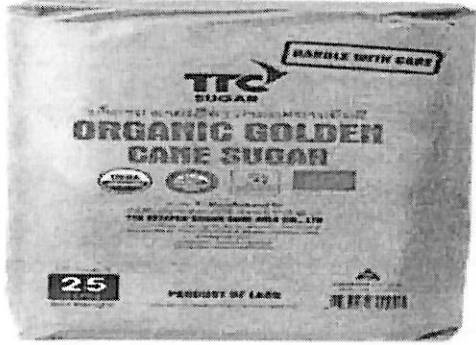
Kuwait PP Bag



London Paper Bag



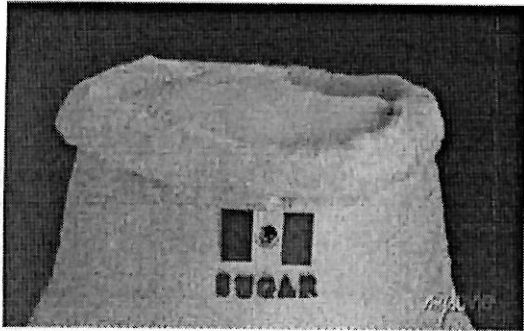
Lagos Paper Bag



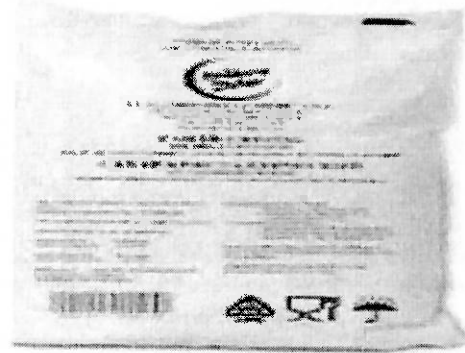
Malasiya PP Bag



Mexico PP Bag



Moldova PP Bag



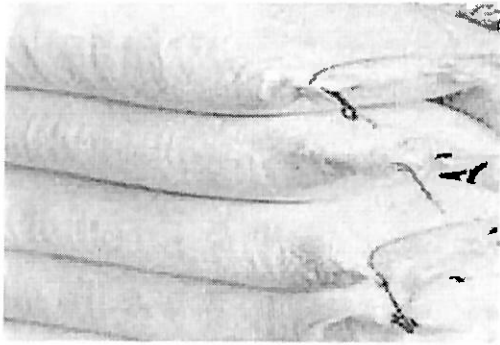
Maurtania PP Bag



Maldives PP Bag



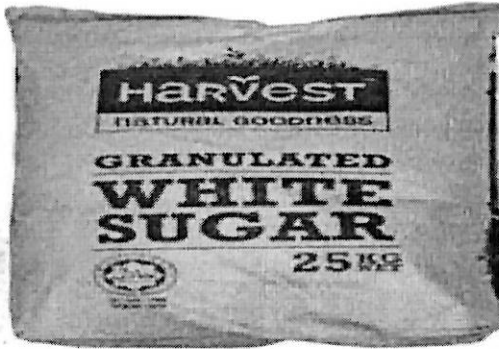
Nambia Paper Bag



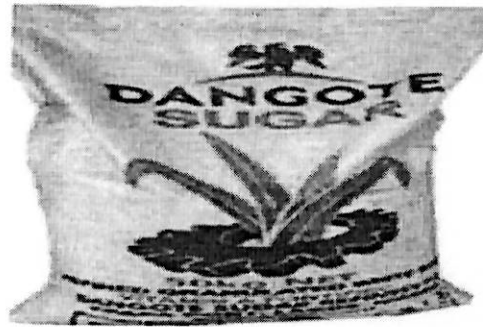
Nepal PP Bag



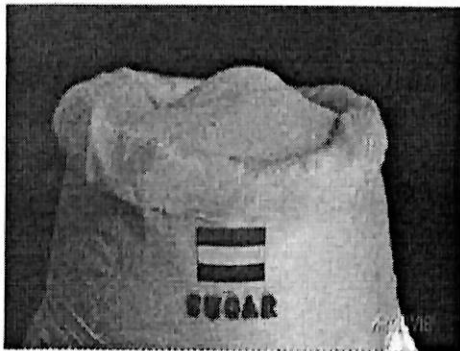
Newzeland Paper



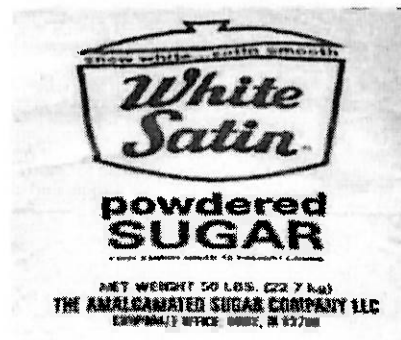
Nigeria PP Bag



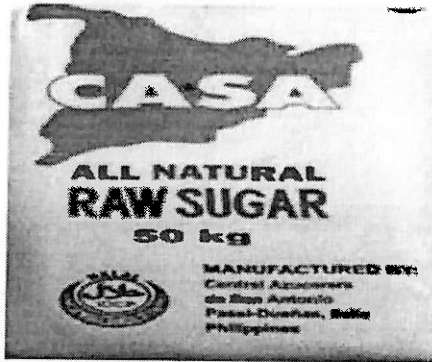
Netherland PP Bag



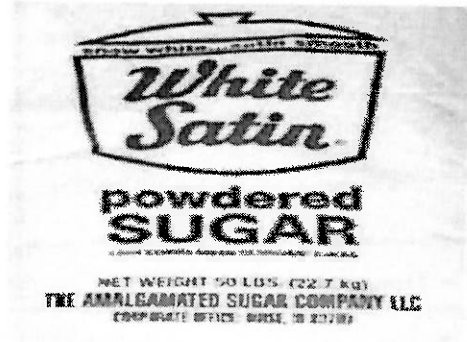
Oman PP Bag



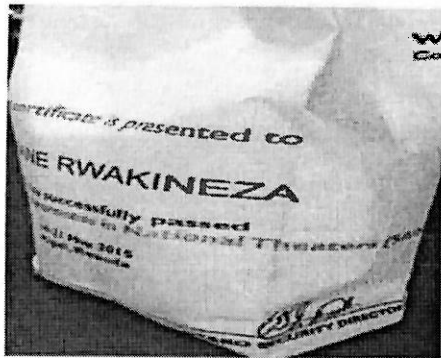
Philippines PP Bag



Qatar PP Bag



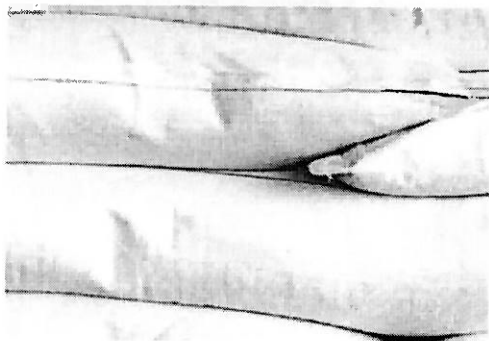
Rwanda Paper Bag



Romania PP Bag



Russia PP Bag

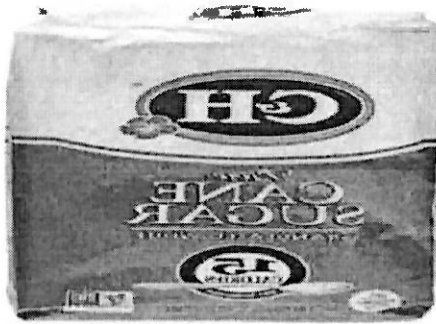


Saudi Arabia PP Bag





Seychells PP Bag



Singapore PP Bag



Sierra Leone PP Bag



South Africa Paper Bag



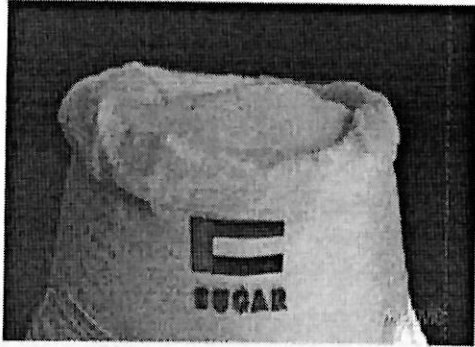
Spain PP Bag



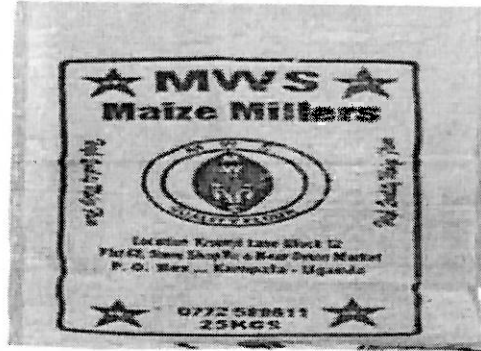
Sri Lanka PP Bag



UAE PP Bag



Uganda PP Bag



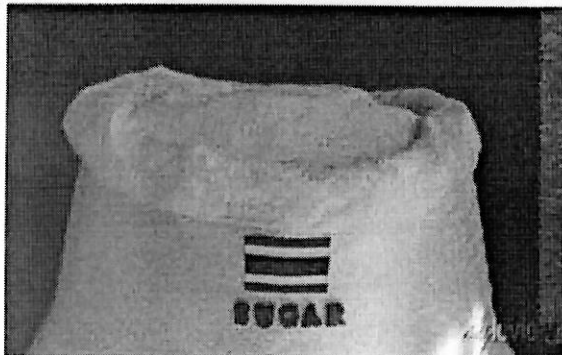
USA BOPP Bag



UK BOPP Bag



Thailand PP Bag



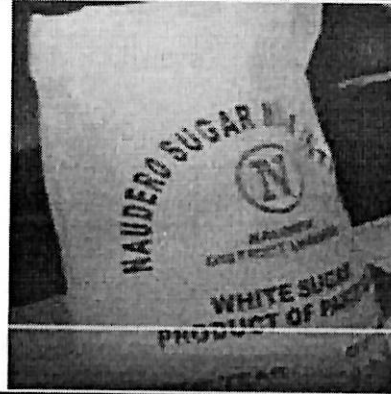
Vietnam PP Bag



Zimbabwe Paper Bag



Pakistan PP Bag



### Summary of Sugar Packing in World

Sr. No.	Country	PP/PAPER/BOPP
1	Afghanistan	PP
2	Albania	PP
3	Algeria	PP
4	Angola	PAPER
5	Armenia	PP
6	Australia	PAPER
7	Bangladesh	PP
8	Barbados	PP
9	Bhutan	PP
10	Botsawana	PP
11	Bulgaria	PP
12	Brazil	PP
13	Cameroonla	PP
14	Canada	PAPER
15	China	PP
16	Cambodia	PAPER
17	Cuba	PP
18	Dubai	PP
19	Egypt	PP
20	Ethiopia	PP
21	Estonia	PP
22	Fiji	PP
23	Germany	PP
24	Hungary	PP
25	Indonesia	PP
26	India	PP
27	Iraq	PP
28	Ireland	PP
29	Italy	PP
30	Iran	PP
31	Israel	PP
32	Jamalca	PP
33	Kazakistan	PP

### Summary of Sugar Packing In World

Sr. No.	Country	PP/PAPER/BOPP
34	Kenya	PP
35	Kuwait	PP
36	London	PAPER
37	Lagos	PAPER
38	Malaysia	PP
39	Mexico	PP
40	Moldova	PP
41	Mauritania	PP
42	Maldives	PP
43	Nambia	PAPER
44	Nepal	PP
45	New Zealand	PAPER
46	Nigeria	PP
47	Netherlands	PP
48	Oman	PP
49	Qatar	PP
50	Pakistan	PP
51	Philippines	PP
52	Romania	PP
53	Rwanda	PAPER
54	Russia	PP
55	Saudi Arabia	PP
56	Seychelles	PP
57	Singapore	PP
58	Sierra Leone	PP
59	South Africa	PAPER
60	Spain	PP
61	Sri Lanka	PP
62	UAE	PP
63	Uganda	PP
64	USA	BOPP
65	UK	BOPP
66	Thailand	PP
67	Vietnam	PP
68	Zimbabwe	PAPER

## ANNEXURE 2

- CPAP Price Policy for Jute 2016-17 season:

*"S.4. At present, 90 percent of foodgrains and 20 percent of sugar is required to be compulsorily packed in jute bags. This provision does not encourage jute industry to develop and diversify their production line to high value products to accelerate its growth in medium to long run. In view of this, the Commission recommends reduction in compulsory packaging to 75 percent in case of foodgrains and total exemption in case of sugar sector."*

*"1.8 The production of sacks, as a percentage of total production of jute products has increased by 15 percent in the last 15 years. The packaging products owe its predominance to captive demand generated in pursuance of JPMA, 1987 (Compulsory use in Packing Commodities). Under the Act, major industrial users such as the food grains, sugarcane, fertilizer and cement are mandated to use jute bags. At present, 90 percent of foodgrains and 20 percent of sugar is to be compulsorily packed in jute bags. However, this provision does not encourage the jute industry to develop and diversify their production line to high value products to accelerate its growth in medium to long run. In view of this, the Commission recommends reduction in compulsory packaging to 75 percent in case of foodgrains and sugar sector be fully exempted."*

- CPAP Price Policy for Jute 2018-19 season:

*"S.7 Jute Packaging Materials Act (JPMA) 1987, has provided protection to the Jute industry but at the same time it has been a major hindrance in its technological advancement. As per current provisions of the Act, 90 percent of foodgrains and 20 percent of sugar is to be compulsorily packed in jute bags. As a result of this captive demand of jute in sacking industry, production of high quality jute of TDN1 to TDN2 variety is less than 40 percent. For growth of the jute sector and better returns to the farmers, the Commission reiterates its earlier recommendation that the jute industry should diversify to high-value products in the medium to long run. It will encourage development of latest technology in jute sector, thereby increasing the production of better quality jute. The Commission also recommends reduction in compulsory packaging of foodgrains and sugar in a phased manner to release some capacity for value-added products. ..."*

- CPAP Price Policy for Jute 2020-21 season:

*"S.4 At present, 100 percent of foodgrains and 20 percent of sugar is to be compulsorily packed in jute bags under the Jute Packaging Material (Compulsory use in Packing Commodities) Act. 1987. The JPM Act has been a major impediment to modernization, technological advancements and product diversification. There is a need for concerted push, in partnership with the jute industry, towards value addition and diversification to high-value jute goods. Timely availability of quality seed, adoption of scientific cultivation practices, and retting and extraction technologies will help in achieving the goal. The Commission recommends that the JPM Act should be reviewed and mandatory packaging requirements for foodgrains and sugar should be reduced in a phased manner."*

*"1.21 Bulk of manufactured jute goods is predominantly used for packaging purpose in domestic market. As per data from the Office of the Jute Commissioner, the share of sacking in total jute*

consumption has increased from 48.8 percent in TE1996-97 to 77.2 percent in TE2018-19. On the other hand, share of other segments including Jute Diversified Products (JDPs) has significantly declined (Chart 1.3). This shows that Indian jute industry has become increasingly dependent on demand for sacking from Government due to the Jute Packaging Material (Compulsory use in Packing Commodities) Act, 1987 (JPM Act). As per the current provisions of the Act, 100 percent of foodgrains and 20 percent of sugar are to be mandatorily packed in jute bags. Though JPM Act, has helped jute growers by creating assured and captive demand but at the same time it has acted as a major constraint in technological advancements and product diversification."

"1.22. .... For growth of jute sector and better returns to farmers, the Commission recommends that compulsory packaging of foodgrains and sugar should be reduced in a phased manner to release some capacity for value-added products."

"2.14. ... The mandatory packing of foodgrains and sugar in jute bags under JPM Act has restricted diversification of jute products."

"6.13 Over last two decades, Indian jute industry has become predominantly dependent on demand for jute bags from the Government under Jute Packaging Material (Compulsory use in Packing Commodities) Act, 1987. At present, 100 percent of foodgrains and 20 percent of sugar is to be compulsorily packed in jute bags under the JPM Act. This provision has restricted the Indian jute industry to modernize, technological advancements and product diversification. It is high time to review the JPM Act and the Commission recommends that mandatory packaging requirements for foodgrains and sugar should be relaxed in a phased manner to release some capacity for value-added products."

- **CPAP Price Policy for Jute 2021-22 season:**

"S.7. Indian jute industry has become increasingly dependent on Government demand for sacking under the Jute Packaging Material (Compulsory Use in Packing Commodities) Act, 1987. This has resulted in significant decline in production of other segments including diversified jute products. In view of increasing domestic and global demand for natural fibre products, there is a need for a concerted push towards value-addition and diversification of jute goods. The Commission reiterates its earlier recommendation of reviewing the JPM Act and reduce mandatory packaging requirements for foodgrains and sugar in a phased manner."

"1.24 During the last 10 years, production and consumption of jute goods in the country has marginally declined. Due to vast domestic demand, about 95 percent of total production was used for domestic consumption during the last five years. About 80 percent of manufactured jute goods are being used for packaging purposes in domestic market due to regulatory support. Jute consumption has sharply reduced for carpet backing and hessian, while sacking consumption has strengthened. The share of sacking in total jute consumption has significantly increased from less than 60 percent in mid-1990s to 81.3 percent in 2019-20 (Chart 1.3). On the other hand, share of hessian has declined from 23 percent in 1995-96 to 10.2 percent in 2019-20 and other segments including Jute Diversified Products (JDPs) have fallen by about 50 percent during the period. These trends clearly show that Indian jute industry has become increasingly dependent on captive demand for sacking due to the Jute Packaging Material (Compulsory Use in Packing Commodities) Act, 1987. Government of India has extended the requirement of packing of 100 percent of foodgrains and 20 percent of sugar in jute packaging material, manufactured in India from raw jute produced

in India, up to 30th September, 2020. The JPM Act has helped jute growers by providing assured and captive market but at the same time, it has acted as a major deterrent in product diversification and technological advancements in the sector.

"1.25 ... The Commission is of the firm view that compulsory packaging of foodgrains and sugar should be reduced in a phased manner to release some capacity for manufacturing of value-added products."

"2.12. .. Therefore, India is highly dependent on imports from Bangladesh for superior quality jute fibre. The main reasons for dominant share of low grade jute fibre are mandatory requirement of foodgrains and sugar to be packed in jute sacking under the Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987 and lack of incentive to farmers for producing better quality fibre due to insufficient demand and no premium for high quality fibre. Therefore, there is a need to reduce mandatory packaging requirement under JPM Act and incentivise high quality fibre."

"6.8 The current grade composition of raw jute is highly skewed towards TDN3 and lower grades and share of good quality jute (TDN1 and TDN2) is 34.3 percent against the target of about 50 percent. As a result, India is highly dependent for superior quality jute fibre on imports from Bangladesh. Captive demand from Government for compulsory packaging of foodgrains and sugar and poor price incentive to produce better grade jute are the main reasons for low share of high grade jute. Therefore, there is a need to reduce mandatory packaging requirement under JPM Act in a phased manner and provide appropriate incentive to farmers for producing high quality fibre. The Commission further recommends that MSP for higher quality fibre (TDN1 and TDN2) should be sufficiently high to encourage farmers to produce better quality fibre."

- CPAP Price Policy for Jute 2023-24 season:

"1.21 In order to fulfill the demand for sacking due to the Jute Packaging Material (Compulsory use in Packing Commodities) Act, 1987 (JPM Act), the bulk of manufactured jute goods is predominantly used for packaging purpose in domestic market. As per data from the Office of the Jute Commissioner, the share of sacking in total jute consumption has increased from 70.7 percent in TE2011-12 to 78.8 percent in TE2021-22. On the other hand, share of hessian and other jute manufactured products has significantly declined during the same period. As per the current provisions of the JPM Act, 100 percent of foodgrains and 20 percent of sugar are to be mandatorily packed in jute bags. As per estimates by the Office of the Jute Commissioner, industry can fulfil about 70 percent of the packing requirement for both foodgrains and sugar. Though JPM Act, 1987 has helped jute growers by creating assured demand but at the same time it has acted as a constraint in technological advancements and product diversification too. In order to boost the jute sector and ensure better returns to farmers, the Commission reiterates its earlier recommendation that the compulsory packaging of foodgrains and sugar should be reduced in a phased manner in order to release some capacity for value-added diversified products."

"4.18 As the demand of jute goods is growing in the domestic and international market over the recent years, there is a need to review the JPM Act, 1987 and reduce the mandatory packaging requirements in jute bags for foodgrains and sugar. The Commission reiterates its earlier recommendation to reduce the compulsory jute packaging requirements in a phased manner so



as to ensure that the captive demand for jute sacking does not crowd out the supply of raw jute for other diversified jute goods."

"6.22 Though JPM Act, 1987 has helped jute growers by creating assured captive demand but at the same time it has acted as a constraint in technological advancements and product diversification. For growth of jute sector and better returns to farmers, the Commission reiterates its earlier recommendation that the compulsory packaging of foodgrains and sugar should be reduced in a phased manner in order to release some capacity for value-added diversified products."