

Govt rejects panel's advice on use of jute bags

AGENCIES [FRIDAY, JULY 07, 2006 12:22:07 AM]

NEW DELHI: The Cabinet Committee on Economic Affairs (CCEA) on Thursday overruled the suggestions of a parliamentary standing committee and said the government would continue with its decision on use of jute bags for packaging of wheat and sugar.

“The CCEA has given its approval for 100% compulsory packing for foodgrains and sugar in jute bags for the Jute Year ‘06-07 (July-June),” I and B minister PR Dasmunsi told reporters after the meeting, chaired by PM Manmohan Singh.

“Use of jute bags for packaging of wheat and sugar has been mandatory, continuing the decision taken last year. We did not accept the report of the standing committee to discontinue this rule.”

The minister said the decision was taken in keeping with the commitments made under the Common Minimum Programme of the UPA government as use of these bags provides sustenance to millions of people engaged in the jute sector, particularly in the north-eastern region.

To a query that with India importing substantial quantity of jute bags from Bangladesh to meet its requirement and as such the benefit of the rule is accruing to the neighbouring country, the minister said the arrangement helps to improve trade relations with Dhaka.

“The bilateral arrangement works to improve the balance of trade, which is currently in India’s favour. We have to import jute from Bangladesh, which offers the best quality, as it is keen to supply more products to India,” he said.

The industry has, however, been seeking relaxation in the rule as some of the exporting countries demand alternate packaging for better protection of the products.



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