Jute Bag Prices Edge Up in October 2026, Plastic Packaging Still Under Pressure

The Ministry of Textiles has announced a modest upward revision in the maximum ex-factory price of jute bags for October 2026, signalling slightly higher procurement costs for buyers while maintaining competitive pressure on plastic packaging manufacturers.

According to the Gazette Notification issued by the Office of the Jute Commissioner on October 16, the price of **580-gram B-Twill sacking bags (Type A and Type B)** has been fixed at **₹181,060 per metric tonne, or ₹10,501.48 per 100 bags**. This represents a **0.65% increase** compared to September 2026, when the notified price was **₹179,883 per metric tonne, or ₹10,433.21 per 100 bags**.

The notification reiterates that the bags must conform to **BIS Specification IS:16186:2014**, with dimensions of **94 cm × 57 cm** and a mass of **580 grams per bag**. Each bag must carry the **emblem prescribed by the Jute Commissioner's office, the manufacturer's name, and BIS certification marks**, ensuring compliance with quality standards. Prices remain **exclusive of GST**, payable separately.

Impact on Plastic Packaging

Despite the slight increase, industry analysts note that jute bags remain competitively priced and continue to benefit from regulatory backing under the **Jute Packaging Materials Act**, which mandates their use in government procurement of food grains. Plastic woven sacks, often cheaper alternatives, face sustained demand pressure as the cost gap remains narrow and policy favours jute.

Environmental advocates emphasize that the government's stance reinforces sustainability goals, as jute is biodegradable and eco-friendly. For plastic bag manufacturers, the October revision does little to ease market challenges, pushing them toward **specialty and value-added packaging segments** rather than competing directly in bulk commodity packaging.

Broader Implications

- **For buyers:** Procurement costs rose slightly in October, but remain stable compared to earlier volatility.
- **For jute mills:** The modest increase offers limited relief, though profitability pressures persist.
- **For plastic packaging:** Regulatory disadvantages remain unchanged, with jute continuing to dominate mandated sectors.

Metric	September 2026 Price	October 2026 Price	Net Change
Price per Metric Tonne (MT)	Rs. 1,79,883.00	Rs. 1,81,060.00	**+ Rs. 1,177.00**
Price per 100 Bags	Rs. 10,433.21	Rs. 10,501.48	**+ Rs. 68.27**

Source: Gazette Notification for jute bag price October 2026 from Ministry of Textiles (MoT)