

17

SEVENTEENTH REPORT

**STANDING COMMITTEE ON LABOUR
(2006-07)**

(FOURTEENTH LOK SABHA)

MINISTRY OF TEXTILES

THE NATIONAL JUTE BOARD BILL, 2006

Presented to Lok Sabha on 24 November 2006

Laid in Rajya Sabha on 24 November 2006



**LOK SABHA SECRETARIAT
NEW DELHI
November 2006/ 1928 (Saka)**

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**COMPOSITION OF THE STANDING COMMITTEE ON LABOUR
(2006-2007)**

Shri Suravaram Sudhakar Reddy – CHAIRMAN

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LOK SABHA**

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3. Shri Subrata Bose
4. Shri Santasri Chatterjee
5. Shri Thawar Chand Gehlot
6. Shri Munawar Hassan
7. Dr. Satyanarayan Jatiya
8. Smt. Sushila Kerketta
9. Shri Mohammad Tahir Khan
10. Shri Virendra Kumar
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12. Shri Bassangouda R. Patil
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14. Shri Chandradev Prasad Rajbhar
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16. Shri Kamla Prasad Rawat
17. Smt. C.S. Sujatha
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20. Shri Rudra Narayan Pany
21. Shri Narayan Singh Kesari
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23. Shri Gandhi Azad
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25. Shri Dilip Ray
26. Shri Rahul Bajaj

SECRETARIAT

- | | | |
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| 2. Shri N.K. Sapra | - | Joint Secretary |
| 3. Shri R.S. Misra | - | Director |
| 4. Shri N.K. Pandey | - | Under Secretary |
| 5. Shri C. Kalyanasundaram- | | Committee Officer |

INTRODUCTION

I, the Chairman of the Standing Committee on Labour having been authorised by the Committee to submit the report on their behalf present this Seventeenth Report on “The National Jute Board Bill, 2006” of the Ministry of Textiles.

2. The Bill was introduced in Lok Sabha on 22 May 2006 and was referred to the Committee by the Hon’ble Speaker, Lok Sabha under Rule 331E (b) of the Rules of Procedure and Conduct of Business in Lok Sabha for examination and report within three months from the date of publication of the reference of the Bill in Bulletin Part-II of Lok Sabha dated 25 May 2006. Since the Committee sought more time to complete their examination of the Bill, Hon’ble Speaker granted extension of time for a period of three months upto 25 November 2006 to present the Report.

3. The Committee in their meeting held on 3 July 2006 heard the views of the representatives of the Ministry of Textiles, Ministry of Law and Justice on the Bill. The Committee took the oral evidence of the representatives of the Ministry of Textiles on 13 October 2006. The Committee considered and adopted the draft Report on the Bill at their sitting held on 2 November 2006.

4. The Committee also undertook on-the-spot study visits to Guwahati, Shillong and Kolkata from 11 to 15 July 2006 and to Bhubaneshwar, Visakhapatnam, Vijaynagaram, Hyderabad and Kolkata from 21 to 26 September 2006 to hear the views of the various stakeholders such as jute farmers, jute workers, manufacturers, State Governments etc. on the Bill.

5. The Committee wish to express their thanks to the farmers, workers, manufacturers and others for placing their views on the Bill before the Committee.

6. The Committee also wish to express their thanks to the officers of the Ministry of Textiles and National Jute Board for placing before them detailed written notes on the Bill and for furnishing the desired information in connection with the examination of the Bill.

NEW DELHI;
2 November 2006
11 Kartika, 1928 (Saka)

Suravaram Sudhakar Reddy
Chairman,
Standing Committee on Labour

REPORT

Introductory

1. The Jute Industry occupies an important place in the national economy. It is one of the major industries in the eastern region, particularly in West Bengal. It supports nearly 4 million farm families, besides providing direct employment to about 2.6 lakh industrial workers and livelihood to another 1.4 lakh people in the tertiary sector and allied activities. The production process in Jute Industry goes through a variety of activities, which include cultivation of raw jute, processing of jute fibres, spinning, weaving, bleaching, dyeing, finishing and marketing of both raw jute and its finished products. The Jute Industry is labour intensive and as such its labour-output ratio is also high. In spite of various difficulties faced by the industry, capacity utilization of the industry is around 75 per cent. These apart, the jute industry also contributes to exports to the tune of nearly Rs.1,000 crores. The Jute Manufactures Development Council (JMDC), incorporated under the Jute Manufactures Development Council Act, 1983 and the National Centre for Jute Diversification (NCJD), a Society set up by the Central Government in the Ministry of Textiles and registered under the Societies Registration Act, 1860 are the institutions which are presently coordinating the operations of the large number of functions in the Jute Sector.

National Jute Policy

2. On account of its eco-friendly and biodegradable characteristics, jute is poised to become one of the most favoured products. The Government has announced a comprehensive National Jute Policy in April 2005 with a view to develop a strong and vibrant jute sector. The policy enunciates that the approach for the jute sector will be directed towards reviving the jute economy through supportive measures covering research and development; technology up gradation; creating of infrastructure for storage and marketing of raw jute and market development activities for jute and diversified jute products.

3. The National Jute Policy also enunciates the creation of a National Jute Board which is a major organizational initiative of the policy. National Jute Board will be the agency to coordinate and implement the various programmes of jute sector. The Board will synthesizes various layers of Government decision making and to make for a cohesive approach.

Rationale for Establishment of National Jute Board

4. In a written note submitted to the Committee by the Ministry of Textiles, it has been stated that 5 organizations under Ministry of Textiles, 2 organizations assisted by Ministry of Textiles and 3 organizations under Ministry of Agriculture are presently involved in jute related activities. As such, there is lack of coordination among the organizations while executing various promotional schemes and activities relating to jute sector. So, the following rationale have been put forward by the Ministry of Textiles for the establishment of the National Jute Board:-

- (a) Need for coordination among the large number of organizations functioning in the jute sector;
- (b) Need to avoid multiplicity of organizations catering to the same target group;
- (c) Need for harmonization of the disjointed activities of such institutions for an integrated approach for development of the jute sector; and

- (d) The Jute Board is proposed to address the systemic ills of lack of coordination and disjointed approach in the jute sector.

5. In regard to the multiplicity of organization in the jute sector and the need to create synergy between the activities of different organizations, the Secretary (Textiles) stated during the briefing as follows:-

“Apart from the National Jute Policy in whose compliance we are proceeding, the Jute sector in India, if you look around presently, is characterized by multiplicity of organisations and there is inadequate co-ordination in their functioning. For the benefit of Members I would like to name the organisations that are under the control of the Ministry of Textiles: (1) Office of the Jute Commissioner, it is based in Kolkata. It deals with the entire regulatory framework of the jute industry. (2) Jute manufactures Development Council. This is known as JMDC in short. (3) National Centre for Jute Diversification, in short, known as the NCJD. (4) The Jute Corporation of India. (5) Then we have the Indian Jute Industries Research Association which in brief is known as the IJIRA. All these organisations are based in Kolkata. Then we have the Indian Jute Technology, that is the IJT which was jointly founded by the University of Kolkata and the Indian Jute Mill Association and was registered under West Bengal Societies Registration Act. The three organisations under the Ministry of Agriculture are as follows: (1) Directorate of Jute Development, based in Kolkata. (2) National Institute of Research on Jute and Allied Fibre Technology, in brief known as the NIRJAF and finally (3) The Central Research Institute of Jute and Allied Fibre, in short known as the CRIJAF. The Hon’ble Committee will notice that there are many organisations functioning, some dealing with research and some dealing with extension and productivity problems. Some are dealing with the improvement of jute seeds and productivity, some are dealing with technology, how to improve the fibre technology pertaining to jute, some are dealing with pure research, like the IJT or IJIRA for that matter. So, what we need is that, and that is the proposal before you and the hon. Committee, how to create synergy between the activities of these various organisations so that at the end of the day the coordination is adequate and we avoid the multiplicity of organisations and we strengthen them and enable them to ensure optimum use of resources both human and otherwise”.

The National Jute Board Bill, 2006

6. The Ministry of Textiles has stated that the National Jute Board Bill 2006 has been prepared in consultation with the Legislative Department of the Ministry of Law. Inter-Ministerial consultations were held on the proposal of establishment of Jute Board and Jute Board Bill. As advised, the meeting of the Expenditure Finance Committee (EFC) was held on 12.01.2006 which approved the aforesaid proposal. The Cabinet approved the proposal of establishment of National Jute Board and the introduction of National Jute Board Bill 2006 in the Parliament on 9.3.2006. Accordingly, the Bill was introduced in the Lok Sabha on 22.5.2006.

Salient feature of the National Jute Board Bill, 2006

7. Structure of the Jute Board

- (i) As per the National Jute Policy, 2005 the proposed Board will be the apex field organization to implement the Jute Technology Mission and to coordinate with the various agencies;
- (ii) The National Jute Board (NJB) will be a statutory body incorporating the existing mandate of the JMDC and NCJD;

- (iii) For the time being, the Jute Board will be constituted by merging the JMDC and the NCJD. However, subsequently, other organizations of the Ministry of Textiles may come under the purview of the proposed Board, depending upon the need of the time and if such association will further the objective for which the Jute Board is proposed to be set up;
- (iv) The Board shall be body corporate with its head office at Kolkata;
- (v) The Board may establish office/agencies within and outside India; and
- (vi) After merger of JMDC and NCJD the employees will hold office on the same terms and conditions as they had before merger.

8. Constitution of the Board

- (iv) The Board will have 20 Members drawn from Jute Industry, Labour Institutions functioning in the jute sector and the Government;
- (v) Secretary (Textiles) will be the Ex-Officio Chairperson of the Board;
- (vi) Out of 21 Members 10 Members are functionaries of Central Government and 2 Members are nominated by the Central Government from amongst the Research and Educational Institutions (IJIRA and IJT) which received grants from the Ministry; and
- (vii) The Members Secretary of the Board will be appointed by the Central Government.

9. Budget and Finance

- (viii) There shall be constituted a fund called Jute Board Fund.
- (ix) The Central Government will provide necessary fund after approval of the Parliament.

10. The Mandate and Functions of the Jute Board

The following are the mandates of the National Jute Board:-

- a. To restructure the present regulatory framework with a view to providing adequate incentive to all stakeholders in the jute sector to produce goods and services in an efficient manner and maximize socio-economic benefits;
- b. To establish a Jute Research and Development Fund and Venture Capital Assistance Fund for the development of efficient jute manufacturing machinery, and the commercialization of new products;
- c. To strengthen and facilitate the growth of Human Resource Development Institutions like the Institute of Jute Technology (IJT) on innovative lines;
- d. To review and revitalize the working of the Research and Development Institutions like the Indian Jute Industries Research Association (IJIRA) and focus research on the needs of the jute industry;
- e. To subsume, merge and professionalise the Jute Manufactures Development Council (JMDC) and the National Centre for Jute Diversification (NCJD) and to play their assigned role of facilitators of change and growth, effectively.

11. The following will be the functions of the National Jute Board:-

- (i) Evolve an integrated approach to jute cultivation in the matters of formulation of schemes, extension work, implementation and evaluation of schemes aimed at increasing the yield of jute and improving the quality thereof;
- (ii) Promote production of better quality raw jute;
- (iii) Enhance productivity of raw jute;
- (iv) Promote or undertake assignments for better marketing and stabilization of raw jute and jute products;
- (v) Promote and undertake measures for quality control of raw jute and jute products;
- (vi) Assist and encourage studies and research for improvement of processing, quality, techniques of grading and packaging of raw jute;
- (vii) Promote standardization of jute manufactures;
- (viii) Sponsor, assist, coordinate, encourage or undertake scientific, technological, economic and marketing research pertaining to the jute sector;
- (ix) Maintain and improve existing markets and to develop new markets within the country and outside for jute manufactures and to devise marketing strategies in consonance with the demand for such manufactures in the domestic and international markets; and
- (x) Sponsor, assist, coordinate or encourage scientific technological and economic research in the matters related to materials, equipment, methods of production, product development including discovery and development of new materials, equipment and methods and improvements in those already in use in the jute industry.

12. Miscellaneous functions

- (i) The proposed Board may outsource its activities provided they are within the ambit of its mandate;
- (ii) When the JTM comes into being the Jute Board will coordinate the execution of the Mini Missions pertaining to Ministry of Textiles. It will be the nodal agency to execute the 9 Schemes under the proposed Mini Mission IV of the Jute Technology Mission; and
- (iii) The mandate of the Jute Board is in keeping with the future vision of the jute sector under a liberalized and globalized economic framework.

Supremacy of the Government over the proposed Jute Board:

13. The Government will have the power to supersede the Board on the account of grave emergency or on account of persistent default by the Board in not carrying out the instructions of the Government or in public interest.

Examination by the Standing Committee on Labour

14. The National Jute Board Bill, 2006 which was introduced in Lok Sabha on 22 May 2006, was referred to the Standing Committee on Labour by Hon'ble Speaker for examination and report within three months from the date of publication in Bulletin Part-II of Lok Sabha, i.e. 25 May 2006 in terms of Rule 331 E of the Rules of Procedure and Conduct of Business in Lok Sabha. Subsequently, on the request of the Committee, Hon'ble Speaker has granted an extension of three months upto 25 November 2006 to present a report on the Bill. The Committee were briefed by the representatives of the Ministry of Textiles on 3 July 2006. Thereafter, the Committee undertook two study visits to hear the views of the various stakeholders such as jute farmers, jute workers, manufacturers and the State

Governments etc. on the National Jute Board Bill 2006. The Committee visited Guwahati, Shillong and Kolkata from 11 to 17 July 2006 and to Bhubaneswar, Visakhapatnam, Vijaynagaram, Hyderabad and Kolkata from 21 to 26 September 2006. Various stakeholders have generally welcomed the Bill. However, they had made certain suggestions regarding composition of the National Jute Board and its functions etc. Unions of jute farmers, trade unions of workers and the organizations engaged in the sector had also submitted their suggestions in writing to the Committee. These suggestions were sent to the Ministry of Textiles and its comments were obtained. Some of the important suggestions and the comments of the Ministry of Textiles have been analyzed in the succeeding paragraphs.

National Jute Board as an Umbrella Organisation

15. In the statement of objects and reasons of the National Jute Board Bill, 2006, it has been stated that the National Jute Board Bill will act as an umbrella body for the entire jute sector to avoid the multiplicity of efforts and programmes of various organizations in the jute sector. All India Agragami Kishan Sabha, Kolkata and Federation of Chatkal Mazdoor Unions, Kolkata have suggested that all jute related institutions should be merged and brought under one umbrella organization i.e. National Jute Board. In this regard, it has been stated by the Ministry of Textiles in a written reply as under:-

“The Jute Board is not expected to be an umbrella organization taking over the activities of all other agencies working in jute sector. It is supposed to be a facilitator of change and growth. It is also reiterated that the merger of other organizations engaged in the jute sector involves various administrative and legal complications. The proposed Jute Board will be a facilitator of change and growth effectively as well as achieve its targets laid down in the National Jute Policy, 2005. For example, Jute Corporation of India stands vested with commercial prerogative on the other hand, Jute Board is not expected to be a body with profit objective. IJIRA is a research organization, while the Jute Board is expected to promote research and development in jute, it is, not expected to do it by itself. All these organizations would ultimately be guided by the Jute Board. In that sense, the Jute Board will be an umbrella organization, and not in the sense of taking over all other organizations”.

16. When it was asked to explain the reasons for making National Jute Board only a facilitator rather than an apex body in jute sector to look after every single activity of the sector and thus deviating from the objective of Umbrella Organisation as stated in the statement of objects and reasons of the Bill, the Ministry of Textiles in a written reply clarified as below:-

“It has rightly been stated that the National Jute Board is to act as an umbrella body for the entire jute sector to avoid the multiplicity of efforts and programmes of various organizations in the jute sector. However, this may be only a long-term objective. Initially, the primary objective of establishing the National Jute Board is to coordinate and integrate the developmental programmes of various organizations pertaining to the jute sector. Such programmes are aimed at bringing benefits to various stakeholders in the jute sector, especially to Jute farmers, workers, manufacturers and distributors. Therefore, the National Jute Board Bill, 2006 envisages establishment of the proposed National Jute Board by merging JMDC and NCJD. Both these organizations are having overlapping functions and are under the administrative control of the Ministry of Textiles. As regards to merger of other organizations in the Ministry of Textiles with the proposed Jute Board, it was felt that these organizations are performing their assigned duties effectively. The proposed National Jute Board will not expand its activities to actually carry out functions like Minimum Support Price (MSP) operations of

Jute Corporation of India (JCI), regulatory functions of the Office of Jute Commissioner, and manufacturing and trading activities of the National Jute Manufactures Corporation Limited and the Birds Jute and Exports Limited. However, the Jute Board will definitely coordinate the functions of these organizations as well as others in bringing an integrated development in the jute sector. The proposed Jute Board will be a lean organisation having a minimum staff and experts for the core functions of the Board and for other matters it will outsource the activities. Merging JCI, Office of Jute Commissioner etc. will create legal and administrative hassles and may lead to cover bureaucratization. Moreover, such a behemoth may lose focus on its assigned duties”.

Jute Corporation of India

17. Joint Council of Employees’ Officers’ of the Jute Corporation of India Limited appeared before the Committee on 14 July 2006 and 26 September 2006 at Kolkata and apprised the Committee that the objectives of the proposed National Jute Board and the objectives defined in Memorandum of Association of JCI are more or less identical. They requested the following:-

- (a) The JCI should be included in the National Jute Board;
- (b) Role of JCI is not clear resulting in confusion amongst the staff of JCI. Hence, the role of JCI should be clearly defined in the Bill;
- (c) Overlapping functions should be amended.

18. In this regard, the Ministry of Textiles furnished its comments as below:-

“The broad functions and objectives of JCI are to conduct Minimum Support Price Operations as per the MSP declared by Government of India every year, (ii) JCI also undertakes commercial procurement of raw jute depending upon the market situations which provides better remunerative prices to the farmers and JCI also performs other functions like dissemination of latest technology to jute growers, supplement in distribution of certified jute seeds and time to time conduct seminars and programme for benefit of jute growers. The JCI is a Public Sector Undertaking of Government of India and it was established under the Companies Act, 1956. It is a commercial entity that plays in the market to meet its objectives. Otherwise, it does not have any statutory powers to control the market. On the other hand, the Jute Board by itself is not proposed to perform any commercial operations. As stated earlier, the primary objective of Jute Board is to coordinate and integrate developmental programmes. Therefore, there is no conflict of objectives of the two organizations. Merger of such a Company with the proposed statutory body requires a complex legal and administrative exercise. The question of merger of large number of employees of JCI with a comparatively thin staff strength of proposed Jute Board will create inter-cadre problems. Moreover, the JCI is performing its assigned duties effectively for the benefit of the jute growers. The JCI has been made the nodal agency for operating Mini Mission III & IV under the Jute Technology Mission (JTM). Hence, the merger of JCI in Jute Board is not advisable in public interest at this stage”.

Office of the Jute Commissioner

19. During the recent visit of the Committee to Hyderabad, representatives of the Government of Andhra Pradesh have stated that there is no provision in the Bill to regulate the jute sector. They have also suggested that Jute Commissioner (JC) should be part of the National Jute Board since control

orders and regulations are administered by other Commodity Boards such as Tea Board. The reaction of the Ministry of Textiles to the above suggestion is as below:-

“At present, the regulatory functions are being carried out by the Office of the Jute Commissioner. However, the responsibility of the Jute Board is to evolve an integrated approach to promote and develop the jute sector as a whole and therefore, it is likely to monitor and coordinate the regulatory framework in jute sector. As stated earlier, the merger of the JC Office in the proposed Jute Board involves various administrative and legal complications. Therefore, the National Jute Board Bill, 2006 does not propose for such merger. However, the Board is free to propose the merger of the JC Office subsequently and the same can be considered after the Board has been established”.

Research Institutions such as IJIRA

20. Joint Action Committee of Unions and Associations of Autonomous Research Institutions (JACARI), West Bengal had requested that the present impasse in Indian Jute Industries Research Association should be brought to an end and it should be made as an integral part of the National Jute Board. In this regard, the Ministry of Textiles in its comments has stated that the The Jute Board Bill, 2006 proposes for merger of two Government Institutions i.e. JMDC and NCJD. IJIRA is a private body. The merger of IJIRA in Jute Board will require a detailed study regarding administrative financial and other implications. Government of Andhra Pradesh has also suggested that research institution should be part of the proposed National Jute Board. Response of the Ministry to the above suggestion was, “there are many institutions conducting research in Textiles and Jute Sector, such as IITs IJT, IJIRA, Textile Research Associations etc. The Jute Board is free to out source various requirements as per the need of the hour. It has earlier been stated that the inclusion of IJIRA in the Jute Board is not feasible. It is not possible to merge institutions like IIT s, IJT etc. which are not under the supervision of Ministry of Textiles in Jute Board either for obvious reasons”. During the study tour of the Committee to Kolkata it was also transpired that 80 per cent of the staff of IJIRA are non-technical while only 20 per cent are Scientific staff and that many scientists have already left the research organization.

Composition of the National Jute Board

21. Chapter-II, Sub-Clause 3 (4) of the Bill deal with the composition of the National Jute Board. As per this Sub-Clause, the following will be composition of the National Jute Board:-

- “(a) the Secretary in charge of the Ministry of the Central Government dealing with textiles, who shall be the ex-officio Chairperson of the Board;
- (b) the Additional Secretary and Financial Adviser, Ministry of Textiles, Government of India, ex-officio;
- (c) the Joint Secretary (Jute) in the Ministry of Textiles, Government of India, ex-officio;
- (d) two members of the rank of Joint Secretary to be nominated by the Central Government to represent respectively the Ministries of the Central Government dealing with—
 - (i) agriculture, and
 - (ii) food and public distribution;

- (e) three members to be nominated by the Central Government by rotation in the alphabetical order to represent respectively the Government of the States of Andhra Pradesh, Assam, Bihar, Meghalaya, Orissa, Tripura and West Bengal; the nomination shall be from officials of the State Government holding the rank of Secretary to the State Government and dealing with Jute or Textile matters;
- (f) two members to be appointed by the Central Government to represent
- (g) the jute industry in the organized sector;
- (h) two members to be appointed by the Central Government to represent the jute industry in the decentralized sector;
- (i) two members to be appointed by the Central Government to represent the exporters of jute products;
- (j) the Director, Indian Jute Industries Research Association, ex-officio;
- (k) the Principal, Institute of Jute Technology, ex-officio;
- (l) the Director, National Institute of Research on Jute and Allied Fibre Technology, Kolkata, ex-officio;
- (m) the Director, Central Research Institute for Jute and Allied Fibres, ex-officio;
- (n) the Chairman and Managing Director, Jute Corporation of India, ex-officio;
- (o) the Jute Commissioner, ex-officio;
- (p) the Secretary, National Jute Board, who shall be the ex-officio Secretary of the Board”.

Separate representations for jute farmers and jute workers etc.

22. From the above proposed composition of the Board, Out of 20 Members, 11 Members would be from the Union Government and its organisations, 3 would be from the State Governments. Only 6 Members would represent the Jute Industry. In other words, 70 per cent of the Members of the Board would be from Government side. Only 30 per cent of Members would be from Industry. As such, the decision of the Board would always go in favour of the Government. In this regard, many organisations have pointed out that there is no separate representation for jute farmers and jute workers in the Board. Government of West Bengal, Federation of Chatkal Mazdoor Unions, Kolkata, Paschim Bengal Pradeshik Krishak Sabha, Kolkata, West Bengal Provincial Kisan Sabha, JMDC’s Employees’ Association, Paschim Banga Chatkal Mazdoor Federation, Kolkata, All India Agragami Kishan Sabha, Kolkata, Bengal Provincial Chatkal Mazdoor Union, Kolkata, Assam Jute Growers Association, The Jute Balers Association and Jute Corporation of India Limited Staff Organisation, Kolkata have suggested that separate representation should be given to jute farmers, jute workers (Trade Unions), Jute Balers etc. The Ministry of Textiles has stated its position on the above issue as under:-

“The proposed National Jute Board will have 10 members representing various organisations of the Ministries of Textiles and Agriculture. These organizations are directly dealing with various aspects of jute in the country. Hence, it is appropriate that the expertise and knowledge of these organizations are better harmonized and reflected in the composition of the National Jute Board to achieve its avowed objectives. These organizations look after the interests of various stakeholders like jute growers, traders, manufacturers, workers and exporters in the jute sector. In addition, 6 members from these stakeholders have been proposed to be included in the proposed National Jute Board to give direct representation to them. However, the Ministry of Textiles is not averse to include more members from such stakeholders if required specially from the farmers and workers representatives”.

23. Federation of Chatkal Mazdoor Unions, Kolkata has specifically suggested that two members from each of the Central Trade Unions and Central Kishan Sabha should be incorporated in the Board. In this regard, the Ministry of Textiles has commented that the Ministry does not feel it appropriate to recommend for incorporation of so many members in the Board as this may make it unwieldy and the decision making process very cumbersome. However, the Ministry is not averse to include representatives of recognized trade unions as representatives of jute workers in the National Jute Board.

24. In this regard, it is pertinent to note that as per the provisions of the Jute Manufactures Development Council Act, 1983, there were three members to represent the growers of jute and three members to represent the interests of workers employed in factories producing jute manufactures in the Jute Manufactures Development Council.

25. As per Sub-Clauses 4 (f) and (g) of clause 3 of Chapter-III of the Bill, two members to represent jute industry in the organized sector and two members to represent jute industry in the decentralized sector. When the Ministry of Textiles was asked to explain why such broad terms viz. organized sector and decentralized sector have been used in the Bill instead of specific terms viz. jute farmers, jute workers and jute distributors etc. the Ministry of Textiles has explained in a written reply as below:-

“The terms ‘Organised Sector’ and ‘Decentralised Sector’ have been used in the Bill to connote the large jute mill sector (organized sector) and the tiny and small industries (decentralized sector) manufacturing jute products. These are fairly acceptable economic terms widely used. They never connote jute farmers, jute workers and jute distributors. However, if need be, these terms may be substantiated by defining them under section 2 of the proposed Bill meant for definitions. There is no need to change these terms to give representation to jute farmers, jute workers and jute distributors, for whom a separate provision may be made”.

26. JCI officers Association, Kolkata has suggested that there should be workmen participation in the Board from JCI as it is being the nodal agency for Support Price Operation. In this regard, the Ministry of Textiles has stated that the CMD, JCI will be a member of the proposed Jute Board. Hence, the participation of the JCI in the Board has been ensured.

27. In the Jute Manufactures Development Council Act, 1983, a provision was made for the inclusion of five experts in jute technological research, jute marketing or agricultural economics in the Jute Manufactures Development Council. However, no such representation has been proposed in this Bill.

Representation of State Governments in the Board

28. In Sub-Clause 4 (e) of Clause 3 of Chapter-II of the Bill, it is proposed to nominate three members from the States of Andhra Pradesh, Assam, Bihar, Meghalaya, Orissa, Tripura and West Bengal on rotational basis. Many stakeholders including the Government of West Bengal, Paschim Bengal Pradeshik Krishak Sabha, Kolkata, Jute Corporation of India Staff Organisation, Kolkata, Indian Jute Mills Association, Sanjukta Kishan Sabha, Paschim Banga Chatkal Mazdoor Union,

Kolkata, All India Agravami Kishan Sabha, Kolkata, Bengal Provincial Chatkal Mazdoor Union, Kolkata and Federation of Chatkal Mazdoor Union, Kolkata have suggested that West Bengal should be a permanent member in the National Jute Board. One of the suggestion was that West Bengal, Assam and Bihar should be permanent members and rest of the members may be on rotational basis from other States like Andhra Pradesh, Meghalaya, Orissa and Tripura. Government of Andhra Pradesh and Federation of Chatkal Mazdoor Unions, Kolkata have suggested that Andhra Pradesh may also be permanent member in the Board. The Ministry of Textiles has stated its position to the above suggestions as below:-

“In a federal set up like India, various State Governments having a stake in jute development should get an opportunity of being represented in the proposed Jute Board. Nomination of a particular State permanently will create heartburns among other jute growing and consuming States. Therefore, jute growing States including West Bengal would get representation in the Jute Board by rotation. The dynamics of raw jute production and consumption in future may not remain the same as it is today. Moreover, most of the organizations representing jute are headquartered at Kolkata and they are proposed to be members of the Jute Board. However, if the Committee feels that there should be a permanent representative from the State of West Bengal in the Board, the same can be included. The Ministry does not recommend any special treatment to Andhra Pradesh as other States similarly situated may also demand similar status”.

Chairman of the Board

29. The Chairman of the proposed National Jute Board will be the Secretary (Textiles) who will be at Delhi. The Board will be headquartered at Kolkata. When it was asked, how can a body of this kind will be able to carry out the multifarious functions proposed in the Board, the Ministry of Textiles in a written reply stated as follows:-

“Secretary (Textiles) located at Delhi is the ex-officio Chairman of various other Boards of different organizations under this Ministry, which are located outside Delhi. Past experience has been that it does not have any adverse effect on the working of these organizations. The role of the Chairman is not to handle the day to day activities of the board; such powers would be delegated to subordinate functionaries of the Board. The Chairman would provide an overall supervisory guidance to the Board. Since Secretary (Textiles) would be having experience, background and resources to coordinate the activities of the board, and is non-political he would be the best choice for smooth functioning of the Board. Member Secretary of Jute Board would be the key functionary for day-to-day activities. He will be full time, and located in Kolkata to take care of multifarious functions of the Board”.

30. As proposed in the Bill, there will be six members from the jute industry. When the Ministry of Textiles was asked to comment whether the Chairman of the Board can be elected from among the members from the jute industry, the Ministry’s comments were as below:-

“It is a general practice to have ex-officio chairpersons of the commodity boards under various Ministries of Government of India. The position with regard to each of the commodity boards under Ministry of Commerce are Tobacco Board – Chairman is appointed by Government of India (Section 4 (4) (a) of The Tobacco Board Act; (ii) The Spices Board – Chairman is appointed by Government of India (Section 3 (a) of The Spices Board Act, 1986); (iii) The Tea Board – Chairman is appointed by Government of India (Section 4 (3) (a) of The Coffee Act, 2006); and The Rubber Board – Chairman is appointed by Government of India (Section 4 (3) (a) of The Rubber Act, 2006). The position with regard to the lone commodity Board under

Ministry of Rural and Agro Industries i.e. the Coir Board is that the Chairman is appointed by the Central Government under Section 4 (4) of the Coir Industry Act, 1953. The position with regard to the Silk Board under Ministry of Textiles is that the Chairman is appointed by the Central Government under Section 4 (3) (a) of the Central Silk Board Act, 1948. From the above, it is clear that the commodity boards under the Government of India have Chairpersons either nominated/appointed by the Central Government or a functionary of the Central Government is made ex-officio Chairperson of the Boards. As most of the members are ex-officio members of the Board, election to the post of Chairperson will not add any qualitative value to the post of Chairperson”.

31. Government of West Bengal and All India Agravami Kishan Sabha, Kolkata have suggested that the Secretary in charge of the Ministry of Agriculture should be ex-officio Chairman of the Board. In this regard, the Ministry of Textiles has commented that the Ministry of Agriculture is primarily concerned with cultivation of jute as a crop. Thereafter, all activities relating to the post harvesting of raw jute and the value addition in it and its diversification pertains to the Ministry of Textiles. All major commodity Boards like Tea Board, Coffee Board, Rubber Board etc. are outside the Ministry of Agriculture. Therefore, the Ministry of Textiles is the most appropriate Ministry to handle the issues relating to the Board. Thus, Secretary (Textiles) has been proposed as Chairman.

Other issues on composition of the Board

32. In this Bill, it has been stated that non-official members of the Board will also be nominated. When asked whether the non-official members of the Board may be elected for the democratic functioning of the Board, the Ministry of Textiles had commented that election as a mode of selecting members from the respective categories will entail a lot of administrative and legal responsibility on the Jute Board, which may take considerable time and effort as well as funds for conducting such elections. It has been further stated by the Ministry that if the suggestion is accepted, this may lead to politicization of the Board, as well as digress the Board from its primary functions.

33. Sub-Clause 5 of the Clause 3 of Chapter-II of the Bill states that the term of office of the members other than the ex-officio members, and the manner of filling vacancies and the procedure to be followed in the discharge of their functions by, such members shall be as may be prescribed. In this regard, when the Ministry of Textiles were asked, whether it would be feasible to fix the term of the members other than ex-officio members as three years, the Ministry has replied as follows:-

“Ex-officio members of the proposed National Jute Board will be from the Government officials holding appropriate office either in the Central or the State Governments. They will not hold the membership of the Board in their individual capacity. Hence, it will be inappropriate to fix the term of these members. The reason for fixing the term for the non-official members for three years is to give representation to other individuals having sufficient knowledge and expertise in the jute sector to be represented in the proposed Board. However, fixing such term for non-official members does not preclude their being nominated again to the Board. Moreover, in a Federal set up like India, various segments of society having a stake in jute development should get an opportunity of being represented in the proposed Jute Board. For this reason, a fixed term has been proposed. The proposed Board will be deprived of the opportunity to use the services of other representatives when the term of existing non-official members is fixed permanently”.

34. In regard to determination by regulations of the procedure to be followed in discharge of the functions of the Board and the quorum at meetings of the Board, the Ministry of Textiles clarified that

it is a general practice in drafting a legislation that the procedural issues are handled in subordinate Legislations i.e. Rules and Regulations, incorporating the procedures in the Bill would result in rigidity in the functioning of the Board. The Board should have flexibility in framing and altering procedural matters for effective functioning. Therefore, these are not part of the Bill.

35. All India Agragami Kishan Sabha, Kolkata also suggested that one member of the rank of Joint Secretary of the Department of Cooperation of Central Government should be a member of the Board. The Ministry in its comments has stated that it is not averse to the suggestion if the Committee recommends for the same. However, it should be taken care of that the Board does not become unwieldy. However, only those organizations that may have direct bearing on the objectives of the Board should have a representation, otherwise there is a fear of the Board becoming politicized.

36. Paschim Bengal Pradeshik Krishak Sabha, Kolkata and All India Agragani Kishan Sabha, Kolkata had suggested that Members of Parliament and Members of Legislative Assembly concerned with jute cultivation should be nominated to the National Jute Board. The Ministry of Textiles is not averse to this suggestion.

Suggestions regarding functions of the Board

37. Paschim Bengal Pradeshik Krishak Sabha, Kolkata has suggested that a sub-clause should be incorporated in the Bill to ensure research on Jute seed to improve the quality and shortening gestation period of jute crop. The Ministry of Textiles is not averse to this suggestion.

38. Sub-Clause 2 (xiv) of Clause 5 of Chapter-III of the Bill is as under:-

“maintain and improve existing markets and to develop new markets within the country and outside for jute manufactures and to devise marketing strategies in consonance with the demand for such manufactures in the domestic and international markets”.

39. Paschim Bengal Pradeshik Krishak Sabha, Kolkata has suggested that the word “maintain” of this Sub-Clause should be replaced by the word “protect”. The Ministry of Textiles has commented on this suggestion that the word “protect” may entail responsibilities having huge financial implications which cannot be foreseen now. Therefore, it is felt that “maintain” may remain.

40. Paschim Bengal Pradeshik Krishak Sabha, Kolkata, All India Agragami Kishan Sabha, Kolkata and Bengal Provincial Mazdoor Union, Kolkata have suggested that an assurance of remunerative price to jute growers is to be included in the Bill. In this regard, the Ministry has stated that the Jute Corporation of India Limited is the agency concerned the procurement of raw jute and allied matters. Therefore, it may not be necessary to include the proposed provision in the Bill. It has further been stated by the Ministry that the Jute Board has a mandate for overall development of Jute Sector which in turn will take care of ensuring remunerative prices to jute growers and that the inclusion of the remunerative prices for raw jute in the Jute Board Bill may not be proper as it does not fall under the direct jurisdiction of the National Jute Board.

41. Institute of Jute Technology, Kolkata has appealed to the Committee to include a Sub-Clause under Clause 5 (2) of Chapter-III of the Bill, “To undertake measures for sustainable Human Resource Development of the jute sector and provide the necessary funds for the same”. The Ministry of Textiles welcomed this suggestion and has stated that the Jute Board is likely to make endeavors for the sustainable development in jute sector.

42. Indian Jute Mills Association (IJMA), Kolkata has suggested that the whole Chapter on modernization and technology development is missing from the Jute Board. The Ministry of Textiles has welcomed this suggestion and is of the view that a clause on modernization may be inserted under Clause 5 Chapter-III of the Bill.

43. Indian Jute Mills Association has suggested that Clause 5 (2) (xv) may be expanded to include a concerted programme for modernization and technological upgradation of the manufacturing sector, bench marking through technology Audit to assess the technological status of the jute industry, formulation of five-year plan for machinery development for the organized sector and establishment of a separate R&D set up in the area of public-private partnership. This will be in accordance with the guidelines in the National Jute Policy 2005.. The Ministry of Textiles in its comments on the above suggestion has stated that the Board, after formation will frame its own policies on the subject of modernization technology, upgradation etc. As these are a matter of policy details, they cannot be the part of the Bill.

44. Indian Jute Mills Association has also suggested that a provision should be incorporated in the Bill for the incorporation of an Export Promotion Council. In this regard, the Ministry of Textiles has stated that creation of an Export Promotion Council will be a policy decision of the Jute Board, depending upon the requirement, resources, availability etc. Therefore, it may not form a part of the Bill.

45. Representatives of Government of Andhra Pradesh has suggested that it should be specified in the Bill that which organization will determine Minimum Support Price for jute and who will implement Minimum Support Price. In this regard, the Ministry of Textiles stated as follows:-

“No Ministry of Textiles does not agree. The remunerative prices of agricultural commodities is declared by the Ministry of Agriculture based on the recommendation of the Commission of Agricultural Commodities and Pricing (CACP). M.S.P. operations are concluded by Jute Corporation of India. National Jute Board does not have jurisdiction to fix M.S.P.”.

46. In regard to the welfare of the jute workers the suggestions received from various organizations and the comments of the Ministry of Textiles there to are as follows:-

Sl.No.	Name of Stakeholders	Clause	Thrust of the suggestion	Comments of the Ministry of Textiles
1	Paschim Bangal Pradeshik Krishak Sabha, Kolkata	Chapter-III 5 (xviii)	Jute board should secure better working condition and initiate provision for process of implementation of social security measures- To make efforts for the	In order to provide flexibility to the Board, it should be left to its wisdom to take it up.

	Bengal Provincial Chatkal Mazdoor Union, Kolkata JCI Officers Association, Kolkata		welfare of workers.	
2.	Sanjukta Kisan Sabha, Kolkata	-do-	The Jute Board Bill will take adequate measures for the welfare of workers engaged in the jute industry	It is already a part of the functions of the proposed Board.
3.	Federation of Chatkal Mazdoor Unions, Kolkata		In the introduction of the Bill, suitable words should be inserted to protect the interest and improve the livelihood and working conditions of jute growers and jute workers.	There is no need to insert such words as the proposed Jute Board is aimed at development of the cultivation, manufacture and marketing of jute and jute products and for matters connected therewith. Hence, the protection of the interests of the jute growers and jute workers are implicit and employed.

Miscellaneous suggestions

47. Government of West Bengal, Paschim Bengal Pradeshik Krishak Sabha, Kolkata, and All India Agragani Kishan Sabha, Kolkata have suggested that head office of the national Jute Board should be located at Kolkata and regional centers of the Board may be opened. The Ministry of Textiles has clarified in this regard that although the Head Office will be located at Kolkata, the provision of “other places” has been made only as a means to be adopted in the event of any unforeseen exigencies. The Ministry has agreed to the suggestion that regional offices may be opened.

48. Jute Manufactures Development Council, Kolkata has suggested that a provision should be incorporated in the proposed Bill for getting exemption from the payment of Income Tax and Wealth Tax, since the Government fund is proposed to be involved in the discharge of the Board, and also since the Board does not seek to make any commercial transaction. The Ministry of Textiles is not averse to this suggestion.

49. Paschim Bengal Pradeshik Krishak Sabha, Kolkata and All India Agragani Kishan Sabha, Kolkata have suggested that Sub-Clause 13 (1) of Chapter V of the Bill may be omitted as it may give blanket permission for the Government to supersede the Board. In this regard the Ministry of Textiles clarified its position as under:-

“The Jute Board will get complete autonomy to function. However, in order to ensure certain unforeseen circumstances apart from the condition of non discharge of duties by Jute Board and the financial or the administrative crises, the clause 13 (C) has been proposed in the Bill which will take care the interest of the Jute Board in real sense. This has further been stated that this

provision is only envisaged to be an enabling provision to be used during grave emergencies that might severely affect the functioning of the Board”.

50. During the recent visit of the Committee to Hyderabad, the representatives of the Government of Andhra Pradesh apprised the Committee that the Jute is bast natural fibre and is an important renewal resource. Mesta is also a bast fibre but belongs to a separate breed called Kenaf. Andhra Pradesh is an important home for Mesta (Kenaf) particularly in the districts of Vizianagaram and Srikakulam. In the Bill it is important that Jute should be defined to include Mesta specifically. Further, with the recent launch of Jute Technology Mission which also looks at fibres like ramie, sisal, it is important that the expression Jute is defined comprehensively keeping future development milestones in mind. The Ministry of Textiles in its comments on the incorporation of a comprehensive definition on jute has stated that this requires a separate exercise to be completed in consultation with the Ministry of Agriculture, Department of Science and Technology etc. Some of the natural fibres have narcotic effects and therefore, bringing them into the ambit of the jute fibres will cause serious complications. Therefore, including other fibres while defining jute in the National Jute Board Bill may cause complications instead of helping the jute fibres.

Functioning of Jute Corporation of India

51. During the study visits of the Committee to Guwahati, Kolkata, Bhubaneswar and Vijaynagaram (Andhra Pradesh) jute farmers have aired their views on the inadequacy of operations of Jute Corporation of India particularly in regard to less number of procurement centers operated by JCI and to procurement of very less amount of raw jute from farmers. They are of the view that JCI should procure most of the raw jute produced by them.

52. The Committee note that the Bill seeks to establish a National Jute Board for the development of the cultivation, manufacture and marketing of jute and jute products. The proposed National Jute Board will act as an umbrella body for the entire jute sector, particularly to avoid the multiplicity of efforts and programmes of various organizations in the jute sector. However, subsequently, it has been clarified by the Ministry of Textiles that this may be a long term objective. Initially the primary objective of establishing the National Jute Board is to coordinate and integrate the developmental programmes of various organizations engaged in the jute sector. Presently, seven organizations of the Ministry of Textiles and three organizations of the Ministry of Agriculture are engaged in jute sector. However, it is proposed to merge only two organizations, namely, The Jute Manufactures Development Council (JMDC) and the National Centre for Jute Diversification (NCJD). The Committee have noted that both these organizations are having overlapping functions. As regards merger of other organizations engaged in the sector such as Jute Corporation of India, Office of the Jute Commissioner, etc., it has been stated that these organizations are performing their assigned duties effectively and that their merger at this stage will create legal and administrative hassles and such a behemoth may lose focus on its assigned duties. The reasons put forth by the Ministry of Textiles for not merging various organizations engaged in the jute sector in the proposed National Jute Board is not acceptable to the Committee due to the fact that the goals of the Bill, i.e. formation of an umbrella body for the entire jute sector, can only be achieved by bringing in all the constituents under one roof. The Committee, therefore, recommend that the National Jute Board may be established by merging various organizations engaged in the jute sector for the integrated and effective development of the jute sector.

53. The Committee regret to note that no representation has been made for the jute farmers and the jute workers in the National Jute Board Bill particularly when provision of three members to represent jute farmers and three members to represent jute workers exists in the Jute Manufactures Development Council Act, 1983. In this regard, the Committee also note that overwhelming majority of stakeholders have suggested to make a suitable provision to include representatives of farmers and workers in the Board. In the Bill, provisions have been made to include representatives of manufacturers of both the organized and the decentralized sectors and exporters, but the interests of jute farmers and jute workers have been ignored. The Committee take a serious view of this lapse and feel that the aim of integrated development of the jute sector may prove futile due to non-participation of jute farmers and jute workers in the Board. The Committee, therefore, recommend that three of representatives of farmers, one from the State of West Bengal and two from other States on rotational basis and three representatives of workers, one from the State of West Bengal and two from other States on rotational basis, should be included in the National Jute Board.

54. The Committee have also noted that no provision has been made for the inclusion of experts from jute technology and the related fields in the Board, while the Jute Manufactures Development Council Act, 1983, provides for appointment of five such members in the Jute Manufactures Development Council. The Committee fail to understand the logic behind this non-inclusion of experts in the Board. In this regard, the Committee are of the view that the suggestions of the experts in the jute field will be of immense value to the Board in its initiatives for the development of jute sector. The Committee, therefore, recommend that at least two experts from the field of jute technology and related fields should included in the Board.

55. The Committee have noted that two Members each will represent jute industry in the organized sector and the decentralized sector. Organized sector and decentralized sectors are broad terms that connote the large mill sector and tiny and small industries, respectively. No definition is available in the Bill to substantiate these terms. The Committee are of the view that the term “decentralized sector” may be suitably defined as it will actually benefit the tiny and small industries engaged in the manufacture of jute products. The Committee, therefore, recommend that definition of these terms should be incorporated in the definition part of the Bill.

56. The Committee are of the view that Participation of People’s representatives in the Board will help various sections of the jute sector to air their views in the Board and to arrive at decisions which will result in overall development of the sector, particularly guarding the interests of the farmers, workers and tiny and small industries. The Committee, therefore recommend that three representatives from Parliament, i.e. two Members of Lok Sabha and one Member of Rajya Sabha should also be Members of the Board.

57. In regard to functions of the Board, the Committee recommend that Provisions should be made in the Bill on the following suggestions made by various stakeholders: (a) To undertake research on jute seed to improve quality and to shorten the gestation period of jute crop; (b) to incorporate measures for sustainable Human Resource Development of the jute sector and to provide necessary funds for the same; (c) Modernization of jute sector and technology development; and (d) to take steps to protect the interests of jute growers and workers and to promote their welfare by improving their livelihood avenues and by providing them social security benefits.

58. The Committee note that jute is a bast natural fibre and Mesta is also a bast fibre which belongs to a separate breed called Kenaf. In the Bill, the term “jute” has not been defined. As such, this Bill may not actually benefit the Mesta growers in various States. The Committee, therefore, recommend that a definition of “jute” should be incorporated in the definitions part of the Bill which should include Mesta (Kenaf) to benefit the jute farmers in the Mesta producing States, particularly Andhra Pradesh.

59. During the study visits of the Committee to West Bengal, Orissa and Andhra Pradesh, farmers had aired their views strongly on the inadequacy of operations of Jute Corporation of India particularly with regard to less number of procurement centres being operated by them. Moreso, the procurement centers are not being operated on an even pace in all the States resulting procurement of very less quantity of raw jute by JCI from farmers. The Committee are of the view that Jute Corporation of India is the field level organization directly dealing with the farmers and if there is any shortcoming in its functions, it would impede the growth of the jute sector in general and welfare of the jute farmers in particular. Hence, the Committee recommend that sufficient number of procurement centers, including mobile ones, should be opened by the appropriate body which would be established after the formation of the National Jute Board, to procure maximum quantity of raw jute from the farmers. Action taken in this regard should be intimated to the Committee every three months.

NEW DELHI;
2 November, 2006
11 Kartika, 1928 (Saka)

SURAVARAM SUDHAKAR REDDY
CHAIRMAN,
STANDING COMMITTEE ON LABOUR

ANNEXURE-I

List of Organisations who have submitted their suggestions in writing to the Standing Committee on Labour on “The National Jute Board Bill, 2006.”

1. All India Kisan Sabha, Assam State Council, Guwahati
2. Assam Employees’ Union, Guwahati
3. Jute Corporation of India Officers’ Association, Kolkata
4. Indian Jute Mills Association, Kolkata
5. The Jute Corporation of India Staff Organisation, Kolkata
6. Paschim Banga Pradeshik Krishak Sabha, Kolkata
7. Jute Manufactures Development Council, Kolkata
8. Joint Action Committee of Unions and Associations of Autonomous Research Institutions (JACARI), West Bengal
9. JMDC Employees’ Association, Kolkata
10. Joint Council of Officers & Employees of the Jute Corporation of India Limited, Kolkata
11. West Bengal Provincial Kisan Sabha, Kolkata
12. Bengal Chatkal Mazdoor Union, Kolkata
13. Sanjukta Kisan Sabha, Kolkata
14. Institute of Jute Technology, Kolkata
15. Assam Jute Grower’s Association, Nagaon
16. The Jute Balers’ Association, Kolkata
17. Bengal Provincial Chatkal Mazdoor Union, Kolkata
18. National Union of Jute Textile Workers, Kolkata
19. All India Agragami Kishan Sabha, Kolkata
20. Paschim Banga Chatkal Mazdoor Federation, Kolkata
21. Orissa Krushak Mahasangh, Bhubaneswar
22. All India Kishan Sabha
23. Federation of Chatkal Mazdoor Unions
24. Orissa Krushak Mahasangh, Bhubaneshwar

State Governments :-

1. Government of West Bengal
2. Government of Meghalaya
3. Government of Assam

ANNEXURE-II

THE NATIONAL JUTE BOARD BILL, 2006

ARRANGEMENT OF CLAUSES

CHAPTER I PRELIMINARY

CLAUSES

1. Short title, extent and commencement.
2. Definitions.

CHAPTER II

THE NATIONAL JUTE BOARD

3. Constitution and incorporation of Board.
4. Secretary and other officers.

CHAPTER III

FUNCTION OF THE BOARD

5. Functions of Board.

CHAPTER IV

PROPERTY AND CONTRACT

6. The Council and Society to vest in Board.
7. General effect of vesting of Council and Society in Board.
8. Licences, etc., to be deemed to have been granted to Board.
9. Tax exemption or benefit to continue to have effect.
10. Guarantee to be operative.
11. Provisions in respect of officers and other employees of Council and Society.

CHAPTER V

POWER OF THE CENTRAL GOVERNMENT

12. Directions by Central Government.
13. Supersession of Board.

CHAPTER VI

FINANCE ACCOUNTS AND AUDIT

14. Grants and loans by Central Government.
15. Budget.
16. Annual report

17. Accounts and audit.
18. Laying of annual and auditor's report before Parliament.

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CHAPTER VII
MISCELLANEOUS
CLAUSES

19. Protection of action taken in good faith.
20. Officers and employees of Board to be public servants.
21. Power to make rules.
22. Power to make regulations.
23. Rules and regulations to be laid before Parliament.
24. Power to remove difficulties.
25. Amendment of Act 28 of 1983.
26. Repeal and savings.

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(ii)

Short title,
extent and
commencement.

THE NATIONAL JUTE BOARD BILL, 2006

A
BILL

to provide for the establishment of a National Jute Board for the development of the cultivation, manufacture and marketing of jute and jute products and for matters connected therewith and incidental thereto.

BE it enacted by Parliament in the Fifty-seventh Year of the Republic of India as follows:—

CHAPTER I
PRELIMINARY

1. (1) This Act may be called the National Jute Board Act, 2006.
- (2) It extends to the whole of India.
- (3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

TO BE INTRODUCED IN LOK SABHA
Bill No. 49 of 2006

2. In this Act, unless the context otherwise requires,—
 - (a) “appointed day” means such date as the Central Government may, by notification in the Official Gazette, appoint for the purpose of section 3;
 - (b) “Board” means the National Jute Board constituted under section 3;
 - (c) “Chairperson” means the Chairperson of the Board;
 - (d) “Council” means the Jute Manufactures Development Council established under section 3 of the Jute Manufactures Development Council Act, 1983;
 - (e) “jute manufacture” shall have the same meaning as assigned to it in the Jute Manufactures Cess Act, 1983;
 - (f) “member” means a member of the Board and includes the Chairperson;
 - (g) “prescribed” means prescribed by rules made under this Act;
 - (h) “regulations” means regulations made by the Board 3. (1) With effect from the appointed day, the Central Government shall, by notification in the Official Gazette, constitute, for the purposes of this Act, a Board to be called the National Jute Board.
- (2) The Board shall be a body corporate by the name aforesaid, having perpetual succession and a common seal, with power to acquire, hold and dispose of property, both movable and immovable, and to contract, and shall by the said name sue and be sued.
- (3) The head office of the Board shall be at Kolkata in the State of West Bengal or such other places as the Central Government may, by notification in the Official Gazette, specify and the Board may, with the previous approval of the Central Government, establish offices or agencies at other places in or outside India under this Act;

- (i) “Society” means the National Centre for Jute Diversification, a society set up by the Central Government in the Ministry of Textiles and registered under the Societies Registration Act, 1860;
- (j) “year” means the year commencing on the 1st day of April and ending on the 31st day of March next following.

CHAPTER II THE NATIONAL JUTE BOARD

- (4) The Board shall consist of the following members, namely:—
- (a) the Secretary in charge of the ministry of the Central Government dealing with textiles, who shall be the *ex officio* Chairperson of the Board;
- (b) the Additional Secretary and Financial Adviser, Ministry of Textiles, Government of India, *ex officio*;
- (c) the Joint Secretary (Jute) in the Ministry of Textiles, Government of India, *ex officio*;
- (d) two members of the rank of Joint Secretary to be nominated by the Central Government to represent respectively the ministries of the Central Government dealing with—

- (i) agriculture, and
- (ii) food and public distribution;

- (e) three members to be nominated by the Central Government by rotation in the alphabetical order to represent respectively the Governments of the States of Andhra Pradesh, Assam, Bihar, Meghalaya, Orissa, Tripura and West Bengal; the nomination shall be from officials of the State Government holding the rank of Secretary to the State Government and dealing with Jute or Textile matters;

Definitions.

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27 of 1983.

28 of 1983.

21 of 1860.

3

- (f) two members to be appointed by the Central Government to represent the jute industry in the organized sector;
- (g) two members to be appointed by the Central Government to represent the jute industry in the decentralized sector;
- (h) two members to be appointed by the Central Government to represent the exporters of jute products;
- (i) the Director, Indian Jute Industries Research Association, *ex officio*;
- (j) the Principal, Institute of Jute Technology, *ex officio*;
- (k) the Director, National Institute of Research on Jute and Allied Fibre Technology, Kolkata, *ex officio*;
- (l) the Director, Central Research Institute for Jute and Allied Fibres, *ex officio*;
- (m) the Chairman and Managing Director, Jute Corporation of India, *ex officio*;

- (n) the Jute Commissioner, *ex officio*;
- (o) the Secretary, National Jute Board, who shall be the *ex officio* Member-Secretary of the Board.

(5) The term of office of the members, other than the *ex officio* members, and the manner of filling vacancies among, and the procedure to be followed in the discharge of their functions by, such members shall be as may be prescribed.

(6) The office of members of the Board shall not disqualify its holder for being chosen as, or for being a member of either House of Parliament.

(7) The Chairperson shall, in addition to presiding over the meetings of the Board, exercise and discharge such powers and duties of the Board as may be assigned to him by the Board and such other powers and duties as may be prescribed.

(8) The Board shall elect from among its members a Vice-Chairperson who shall exercise such of the powers and perform such of the functions of the Chairperson as may be prescribed or as may be delegated to him by the Chairperson.

(9) The Board shall meet at such times and places and shall observe such procedure in regard to the transaction of business at its meetings (including the quorum at meetings) as may be determined by regulations.

4. (1) The Central Government may appoint the Secretary and such other officers and employees as it considers necessary, for the efficient discharge of the functions of the Board under this Act.

(2) The terms and conditions of service of the Secretary and other officers and employees of the Board shall be such as may be determined by regulations.

CHAPTER III
FUNCTIONS OF THE BOARD

5. (1) It shall be the duty of the Board to promote the development of jute and jute products by such measures as it thinks fit.

(2) Without prejudice to the generality of the foregoing provision, the Board may undertake measures to—

(i) evolve an integrated approach to jute cultivation in the matters of formulation of schemes, extension work, implementation and evaluation of schemes aimed at increasing the yield of jute and improving the quality thereon;

(ii) promote production of better quality raw jute;

(iii) enhance productivity of raw jute;

Secretary and other officers

Functions of Board.

4

(iv) promote or undertake arrangements for better marketing and stabilization of the prices of raw jute;

(v) promote standardisation of raw jute and jute products;

(vi) suggest norms of efficiency for jute industry with a view to eliminating waste, obtaining optimum production, improving quality and reducing costs;

(vii) propagate information useful to the growers of raw jute and manufacturers of jute products;

(viii) promote and undertake measures for quality control of raw jute and jute products;

- (ix) assist and encourage studies and research for improvement of processing, quality, techniques of grading and packaging of raw jute;
- (x) promote or undertake surveys or studies aimed at collection and formulation of statistics regarding raw jute and jute products;
- (xi) promote standardisation of jute manufactures;
- (xii) promote the development of production of jute manufactures by increasing the efficiency and productivity of the jute industry;
- (xiii) sponsor, assist, coordinate, encourage or undertake scientific, technological, economic and marketing research pertaining to the jute sector;
- (xiv) maintain and improve existing markets and to develop new markets within the country and outside for jute manufactures and to devise marketing strategies in consonance with the demand for such manufactures in the domestic and international markets;
- (xv) sponsor, assist, coordinate or encourage scientific, technological and economic research in the matters related to materials, equipment, methods of production, product development including discovery and development of new materials, equipment and methods and improvements in those already in use in the jute industry;
- (xvi) provide and create necessary infrastructural facilities and conditions conducive to the development of diversified jute products by way of assisting the entrepreneurs, artisans, craftsman, designers, manufacturers, exporters, non-Governmental agencies in the following manner, namely:—
 - (a) transfer of technology from research and development institutions and other organisations in India and abroad;
 - (b) providing support services to the entrepreneurs for the implementation of their projects including technical guidance and training;
 - (c) organizing entrepreneurial development programmes;
 - (d) planning and executing market promotion strategies including exhibitions, demonstrations, media campaigns in India and abroad;
 - (e) providing financial assistance by way of subsidy or seed capital;
 - (f) providing a forum to the people engaged or interested in diversified jute products for interacting with various national and international agencies, engaged in the jute and jute textile sector;
- (xvii) organize workshops, conferences, lectures, seminars, refresher courses and set up study groups and conduct training programmes for the purpose of promotion and development of jute and jute products;
- (xviii) secure better working conditions and provisions and improvement of amenities and incentives for workers engaged in the jute industry;
- (xix) register jute growers and manufacturers on optional basis;

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- (xx) collect statistics with regard to jute and jute products for compilation and publication;
- (xxi) subscribe to the share capital of or enter into any arrangement (whether by way of partnership, joint venture or any other manner) with any other body corporate for the purpose of promoting the jute sector or for promotion and marketing of jute and jute products in India and abroad.

(3) It shall be the duty of the Board—

- (a) to advise the Central Government on all matters relating to the development of raw jute and the jute industry, including import and export of jute and jute products;
- (b) to prepare and furnish reports relating to the jute sector as may be required

by the Central Government from time to time.

CHAPTER IV PROPERTY AND CONTRACT

6. (1) On and from the appointed day, there shall be transferred to, and vest in, the Board constituted under section 3, the Council and the Society.

(2) The Council and the Society which is transferred to, and which vests in, the Board under subsection (1) shall be deemed to include all assets, rights, powers, authorities and privileges and all property movable and immovable, real or personal, corporeal or incorporeal, present or contingent, of whatever nature and wheresoever situate, including lands, buildings, machinery, equipments, cash balances, capital, reserves, reserve funds, investments, tenancies, leases and book debts and all other rights and interests arising out of such property as were immediately before the appointed day in the ownership or possession or power of the Council, or as the case may be, the Society, whether within or outside India, all books of account and documents relating thereto and shall also be deemed to include all borrowings, liabilities and obligations of whatever kind then subsisting of the Society, or as the case may be, the Council.

7. (1) All contracts, agreements and working arrangements subsisting immediately before the appointed day and affecting the Council, or as the case may be, the Society shall, in so far as they relate to the Council, or as the case may be, the Society, cease to have effect or be enforceable against the Council, or as the case may be, the Society and shall be of as full force and effect against or in favour of the Board in which the Council and the Society have vested by virtue of this Act and enforceable as fully and effectively as if, instead of the Council, or as the case may be, the Society, the Board had been named therein or had been a party thereto.

(2) Any proceeding, suit or cause of action pending or existing immediately before the appointed day by or against the Council or the Society may, as from that day, be continued and enforced by or against the Board in which it has vested by virtue of this Act, as it might have been enforced by or against the Council or the Society if this Act had not been passed, and shall cease to be enforceable by or against the Council or, as the case may be, the Society.

8. With effect from the appointed day, all licences, permits, quotas and exemptions, granted to the Council or the Society in connection with the affairs and business of the Council, or as the case may be, the Society, under any law for the time being in force, shall be deemed to have been granted to the Board in which the Council and the Society have vested by virtue of this Act.

9. (1) Where any exemption from, or any assessment with respect to, any tax has been granted or made or any benefit by way of set off or carry forward, as the case may be, of any unabsorbed depreciation or investment allowance or other allowance or loss has been extended or is available to the Council or the Society, under the Income-tax Act, The Council and Society to vest in Board.
General effect of vesting of Council and Society in Board. Licences, etc., to be deemed to have been granted to Board. Tax exemption or benefit to continue to have effect.

1961, such exemption, assessment or benefit shall continue to have effect in relation to the Board in which the Council and the Society have vested by virtue of this Act.

(2) Where any payment made by the Council or the Society is exempted from deduction of tax at source under any provision of the Income-tax Act, 1961, the exemption from tax will continue to be available as if the provisions of the said Act made applicable to the Council or the Society were operative in relation to the Board in which the Council and the Society have vested by virtue of this Act.

(3) The transfer and vesting of the Council or the Society in terms of section 6 shall not be construed as a transfer within the meaning of the Income-tax Act, 1961 for the purposes of capital gains.

10. Any guarantee given for or in favour of the Council or the Society with respect to any loan or lease finance shall continue to be operative in relation to the Board in which the Council and the Society have vested by virtue of this Act.

11. (1) (a) Every officer or other employee of the Council serving in its employment immediately before the appointed day shall, in so far as such officer or other employee is employed in connection with the Council which has vested in the Board by virtue of this Act, become, as from the appointed day, an officer, or as the case may be, other employee of the Board.

(b) Every officer or other employee of the Society serving in its employment immediately before the appointed day shall, in so far as such officer or other employee is employed in connection with the Society which has vested in the Board by virtue of this Act, become, as from the appointed day, an officer, or as the case may be, other employee of the Board.

(2) Every officer or other employee of the Council or the Society who becomes an officer, or as the case may be, other employee of the Board, as referred to in sub-section (1), shall hold his office or service therein by the same tenure, at the same remuneration, upon the same terms and conditions, with the same obligations and rights and privileges as to leave, insurance, superannuation scheme, provident fund, other funds, retirement, pension, gratuity and other benefits as he would have held under the Council, or as the case may be, the Society, if it had not vested in the Board and shall continue to do so as an officer or other employee, as the case may be, of the Board, or until the expiry of a period of one year from the appointed day if such officer or other employee opts not to be the officer or other employee of the Board within such period:

Provided that if the Board thinks it expedient to extend the period so fixed, it may extend the same up to a maximum period of one year.

(3) Where an officer or other employee of the Council or the Society opts under sub-section (2) not to be in the employment or service of the Board in which the Council and the Society have vested, such officer or other employee shall be deemed to have resigned from the respective cadre.

(4) Notwithstanding anything contained in the Industrial Disputes Act, 1947 or in any other law for the time being in force, the transfer of the services of any officer or other employee of the Council or the Society to the Board shall not entitle such officer or other employee to any compensation under this Act or any other law for the time being in force and no such claim shall be entertained by any court, tribunal or other authority.

(5) The officers and other employees who have retired before the appointed day from the service of the Council or the Society and are entitled to any benefits, rights or privileges shall be entitled to receive

the same benefits, rights or privileges from the Board in which the Council and the Society have vested.

(6) The trusts of the Provident Fund and Group Insurance and Superannuation Scheme of the Council or the Society for the welfare of officers or employees would continue to discharge their functions in the Board as was being done hitherto in the 43 of 1961. Guarantee to be operative. Provisions in respect of officers and other employees of Council and Society.

14 of 1947.

43 of 1961.

43 of 1961.

Council or the Society and tax exemption granted to Provident Fund or Group Insurance and Superannuation Scheme would continue to be applied to the Board.

(7) After the expiry of the period of one year, or the extended period, as referred to in sub-section (2), all the officers and other employees transferred and appointed to the Board, other than those opting not to be the officers or employees of the Board within such period, shall be governed by the rules and regulations made by the Board in respect of the service conditions of the officers and other employees of the said Board.

CHAPTER V POWERS OF THE CENTRAL GOVERNMENT

12. (1) The Board shall, in the discharge of its functions and duties under the relevant statute be bound by such direction on questions of policy as the Central Government may give in writing to it from time to time:

Provided that the Board shall, as far as practicable, be given an opportunity to express its views before any direction is given.

(2) The decision of the Central Government, whether a question is one of policy or not, shall be final.

13. (1) If at any time the Central Government is of the opinion that—

(a) on account of grave emergency, the Board is unable to discharge the functions and duties imposed on it by or under the provisions of this Act; or

(b) the Board has persistently made default in complying with any direction issued by the Central Government under this Act or in the discharge of the functions and duties imposed on it by or under the provisions of this Act and as a result of such default, the financial position of the Board or the administration of the Board has deteriorated; or

(c) that circumstances exist which render it necessary in the public interest so to do, the Central Government may, by notification in the Official Gazette, supersede the Board for such period, not exceeding six months, as may be specified in the notification.

(2) Upon the publication of a notification—

(a) all the members of the Board shall, as from the date of supersession vacate their offices as such;

(b) all the powers, functions and duties which may, by or under the provisions of the relevant Act, be exercised or discharged by or on behalf of the Board shall, until the Board is reconstituted under sub-section (3), be exercised and discharged by such person or persons as the Central Government may direct; and

(c) all property owned or controlled by the Board shall, until the Board is reconstituted, vest in the Central Government.

(3) On the expiration of the period of supersession specified in the notification issued under sub-section (1), the Central Government may reconstitute the Board by a fresh appointment and in such case any person or persons who vacated their offices under clause (a) of sub-section (2), shall not be deemed disqualified for appointment:

Provided that the Central Government may, at any time, before the expiration of the period of supersession, take action under this sub-section.

(4) The Central Government shall cause a notification to be issued under subsection (1) and a full report of any action taken under this section and the circumstances leading to such action will be laid before each House of Parliament at the earliest.

Directions by Central Government

Supersession of the Board.

CHAPTER VI FINANCE, ACCOUNTS AND AUDIT

14. (1) The Central Government may, after due appropriation made by Parliament by law, in this behalf, make to the Board grants and loans of such sums of money as that Government may consider necessary.

(2) There shall be constituted a fund to be called the Jute Board Fund and there shall be credited thereto—

(a) any grants and loans made to the Board by the Central Government;

(b) all sums received by the Board from such other sources as may be decided upon by the Central Government.

(3) The Fund shall be applied for meeting—

(a) salary, allowances and other remuneration of the members, officers and other employees of the Board;

(b) expenses of the Board in the discharge of its functions; and

(c) expenses on objects and for purposes authorised by this Act.

15. The Board shall prepare in such form and at such time during each financial year, as may be prescribed, its budget for the next financial year, showing the estimated receipts and expenditure of the Board, and forward the same to the Central Government.

16. The Board shall prepare in such form and at such time, each financial year, as may be prescribed, its annual report, giving a full account of its activities during the previous financial year and submit a copy thereof to the Central Government.

17. The accounts of the Board shall be maintained and audited in such manner as may, in consultation with the Comptroller and Auditor-General of India, be prescribed and the Board shall furnish to the Central Government before such date, as may be prescribed, an audited copy of its accounts, together with the auditor's report thereon.

18. The Central Government shall cause the annual report and auditor's report to be laid, as soon as may be after they are received, before each House of Parliament.

CHAPTER VII MISCELLANEOUS

19. No suit, prosecution or other legal proceeding shall lie against the Central Government, or the Board or any member of the Board, or any officer or other employee of the Central Government or of

the Board or any other person authorised by the Central Government or the Board, for anything which is in good faith done or intended to be done under this Act or the rules or regulations made thereunder.

20. All officers and employees of the Board shall, while acting or purporting to act in pursuance of the provisions of this Act or of any rule or regulation made thereunder, be deemed to be public servants within the meaning of section 21 of the Indian Penal Code.

21. (1) The Central Government may, by notification in the Official Gazette, make rules to carry out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the term of office and other conditions of service of the members of the Board under sub-section (5) of section 3;

(b) the powers and duties of the Chairperson under sub-section (7) of section 3;

Grants and loans by the Central Government.

Budget.

Annual report.

Accounts and audit.

Laying of annual and auditor's report before Parliament.

Protection of action taken in good faith.

Officers and employees of Board to be public servants.

Power to make rules.

45 of 1860.

(c) the powers and functions of the Vice-Chairperson under sub-section (8) of section 3 ;

(d) the form in which, and the time at which, the Board shall prepare its budget under section 15;

(e) the form in which, and the time at which, the Board shall prepare its annual report under section 16;

(f) the manner in which the accounts of the Board shall be maintained and audited, and the date before which the audited copy of the accounts may be furnished to the Central Government under section 17;

(g) any other matter which is to be, or may be, prescribed or in respect of which provision is to be, or may be, made by the rules.

22. (1) The Board may, with the previous approval of the Central Government, by notification in the Official Gazette, make regulations consistent with the provisions of this Act and the rules generally to carry out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:—

(a) the manner in which the business of the Board shall be conducted under sub-section (9) of section 3; and

(b) the terms and conditions of service of the Secretary and other officers and employees of the Board under section 4.

23. Every rule and every regulation made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation or both Houses agree that the rule or regulation should not be made, the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.

24. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to be necessary for removing the difficulty:

Provided that no such order shall be made after the expiry of a period of two years from the commencement of this Act.

(2) Every order made under sub-section (1) shall be laid, as soon as may be after it is made, before each House of Parliament.

25. In the Jute Manufactures Cess Act, 1983,—

(a) in section 3,—

(i) in sub-section (1), for the words and figures “the Jute Manufactures Development Council Act, 1983”, the words and figures “the National Jute Board Act, 2006” shall be substituted;

(ii) in sub-section (2), the words “and Salt” shall be omitted;

(iii) in sub-section (4), the words “and Salt” shall be omitted;

(b) in section 4, for the words, brackets and figures “the Jute Manufactures Development Council, from time to time, from out of such proceeds (after Power to make regulations. Rules and regulations to be laid before Parliament. Power to remove difficulties. Amendment of Act 28 of 1983. deducting the cost of collection which shall not exceed four per cent. of such proceeds) such sums of money as it may think fit for being utilised for the purposes of the Jute Manufactures Development Council Act, 1983”, the words, brackets and figures “the National Jute Board from time to time, from out of such proceeds (after deducting the cost of collection which shall not exceed four per cent. Of such proceeds) such sums of money as it may think fit for being utilised for the purposes of the National Jute Board Act, 2006” shall be substituted.

26. (1) On and from the appointed day, the Jute Manufactures Development Council Act, 1983 shall stand repealed.

(2) Notwithstanding such repeal, anything done or any action taken or purported to have been done or taken under the Act so repealed shall, in so far as it is not inconsistent with the provisions of this Act, be deemed to have been done or taken under the corresponding provisions of this Act.

Repeal and savings. 27 of 1983.

STATEMENT OF OBJECTS AND REASONS

The jute sector occupies an important place in the economy of the country in general, and the eastern region in particular. Around 0.14 million people are engaged in the tertiary sector and allied activities, supporting the jute economy. These apart, the jute industry also contributes to exports to the tune of nearly Rs. 1,000 crores. The Jute Manufactures Development Council (JMDC), incorporated under the Jute Manufactures Development Council Act, 1983 and the National Centre for Jute Diversification (NCJD), a Society set up by the Central Government in the Ministry of Textiles and registered under the Societies Registration Act, 1860 are the institutions which are presently co-ordinating the operations of the large number of functions in the jute sector.

2. In pursuance to the National Jute Policy, 2005, the Government has approved the creation of a National Jute Board. Creation of the Board is a major organisational initiative and it will be the agency to co-ordinate and implement the programmes of the jute sector. The proposed Jute Board will be constituted and incorporated by merging the existing Jute Manufactures Development Council (JMDC), and the National Centre for Jute Diversification (NCJD) along with their funds and manpower. To avoid the multiplicity of efforts and programmes of various organisations in the jute sector, the National Jute Board will act as an umbrella body for the entire jute sector.

3. The salient features of the proposed legislation are as follows:—

(i) it proposes to merge Jute Manufactures Development Council and the National Centre for Jute Diversification, and in place of these two entities constitution and incorporation of a Board to be called the National Jute Board;

(ii) the proposed Board shall be consisting of 20 members to be appointed by the Central Government from the jute sector, representing the jute industry, labour institutions and organisations functioning in the jute sector, and from the Ministry of Textiles, Ministry of Agriculture and Ministry of Food and Public Distribution. The Secretary, Ministry of Textiles will be the *ex officio* Chairperson of the Board;

(iii) the Central Government is being empowered to appoint the Secretary to the Board and such other officers and employees, as it considers necessary for the efficient discharge of its functions and the terms and conditions of service of the Secretary and other officers and employees of the Board shall be such as may be determined by regulations;

(iv) the functions of the Board *inter alia* to promote the development of jute and jute products; to promote production of better quality raw jute; to enhance productivity of raw jute; to promote and undertake arrangements for better marketing and standardization of the prices of raw jute; to assist and encourage studies and research for improvement of processing, quality, techniques of grading and packaging of raw jute; to provide and create necessary infrastructural facilities and conditions conducive to the development of diversified jute products; to provide financial assistance by way of subsidy or seed capital, etc. Clause 5 of the proposed Bill specifies the detailed functions of the Board;

(v) it has been also proposed that the property and contract including the agreement, working arrangements, licences, permits, quotas and exemptions, etc., relating to or owned by the Jute Manufactures Development Council and the National Council for Jute Diversification shall be transferred and vest in the Board; the proposed Board shall also be entitled the tax exemptions or benefits available to the Council or the Society under the Income-tax Act, 1961;

(vi) the services of the officers and employees of the Council and the Society shall be transferred to the Board and they shall hold office on the same terms and 11 12 conditions as they would have held in the two institutions as if they have not merged and also the officers and employees who opt not to be in the employment or service of the Board in which the Council and the Society have merged, such officers and employees shall be deemed to have resigned from the respective cadre;

(vii) the proposed legislation also empowers the Central Government to supersede the Board on account of grave emergency or on account of persistent default by the Board in not carrying out the instructions of the Government, or in public interest;

(viii) the Board will be a body corporate and the Government, after due appropriation made by Parliament will make such grants and loans to the Board as considered necessary and a fund called Jute Board Fund will be constituted. All proceeds on account of grant and loans from the Government; all fees and levies and all sums received by the Board from other sources will be credited to this Fund;

(ix) it is also proposed that the Board shall prepare annual report and submit a copy of the same to the Central Government, which shall be laid, before the Parliament;

(x) it is also proposed to effect consequential amendments to sections 3 and 4 of the Jute Manufactures Cess Act, 1983 to facilitate the allocation of the cess collected under this Act to the proposed Jute Board;

(xi) it also provides the repeal of the Jute Manufactures Development Council Act, 1983.

4. The Bill seeks to achieve the above objects.

SHANKERSINH VAGHELA.

NEW DELHI;
The 9th May, 2006.

PRESIDENT'S RECOMMENDATION UNDER ARTICLE 117 OF
THE CONSTITUTION OF INDIA

[Copy of letter No. 7/1/2005-Jute, dated the 17th May, 2006 from Shri Shankersinh Vaghela, Minister of Textiles to the Secretary-General, Lok Sabha]

The President, having been informed of the subject matter of the proposed National Jute Board Bill, 2006, recommends under clause (1) of article 117 and clause (1) of article 274 of the Constitution the introduction of the Bill and under article 117(3), the consideration of the Bill by Lok Sabha.

Notes on clauses

Clause 1.—This clause gives the short title, extent and commencement of the Bill.

Clause 2.—This clause contains definitions of certain words and expressions used in the Bill.

Clause 3.—This clause provides for the constitution and incorporation of the Board to be called as the National Jute Board by the Central Government. This clause also lays down the composition of the National Jute Board which consists of Chairperson, *ex officio* members, and other members to be nominated by the Central Government. The Secretary in charge of the Ministry of Textiles shall be the Chairperson and two other officers of the Ministry of Textiles shall be the *ex officio* members. The nominated members include representatives from farmers, jute industry and specialists or experts in the field of jute sector and representatives of Ministries of Agriculture and Food and Public Distribution. It also provides for the terms and conditions of appointment of members to be laid down by rules.

It also makes provisions for removal of the members other than the *ex officio* members.

Clause 4.—This clause empowers the Central Government to appoint the Secretary, officers and other employees for the efficient functioning of the Board.

Clause 5.—This clause lays down the functions of the Board shall, *inter alia*, include to evolve an integrated approach to jute cultivation; to promote production of better quality of raw jute; to enhance productivity of raw jute; to promote or undertake arrangements for better marketing and stabilization of the price of raw jute; to promote standardization of raw jute and jute products; to suggest norms of efficiency for raw jute and manufacture of jute products; to propagate information useful to the growers of raw jute and manufacturers of jute products; to promote and undertake measures for quality control of raw jute and jute products; to assist and encourage studies and research for improvement of processing, quality, technique of grading and packaging of raw jute; to promote and undertake surveys or studies aimed at collection and formulation of statistics regarding raw jute and jute products; to promote standardization of jute manufacturers to promote the development of production of jute manufacturers by increasing the efficiency and productivity of jute industry; to sponsor, assist, etc., pertaining to the jute sector; to maintain and improve existing markets and develop new markets within and outside the country for jute manufacturers; to sponsor, assist, etc., in the matters related to materials, equipments, etc., in those already used in the jute industry; to provide and create necessary infrastructural facilities, etc.; to organize workshops, conferences, lectures, etc., for the purpose of production and promotion of jute products; to secure better working conditions for workers engaged in the jute industry.

Clause 6.—This clause vests in the Board all assets, rights, powers, authorities and privileges and all property movable and immovable, real or personal, corporeal or incorporeal, present or contingent, of whatever nature and wheresoever situate, including lands, buildings, machinery, equipments, cash balances, capital, reserves, reserve funds, investments, tenancies, leases and book debts and all other

rights and interests arising out of such property as were immediately before the appointed day in the ownership or possession of the Jute Manufactures Development Council or the National Centre for Jute Diversification whether within or outside India, all books of account and documents relating thereto and shall also be deemed to include all borrowings, liabilities and obligations of whatever kind then subsisting of the Society or the Council.

Clause 7.—This clause provides for giving general effect of vesting of Jute Manufactures Development Council and the National Centre for Jute Diversification in the National Jute Board all contracts, agreements and working arrangements subsisting immediately before the appointed day, affecting the Council or the Society and shall cease to have effect or be enforceable against the Council or the Society and shall be of as full force and effect against or in favour of the Board in which the Council and the Society have vested by virtue of this Bill. This clause also provides that all licenses, etc., to be deemed to have been granted to the Board.

Clause 8.—This clause provides that all licences, permits, quotas and exemptions, granted to the Council or the Society under any law shall be deemed to have been granted to the Board.

Clause 9.— This clause provides for exemption or benefit granted under the Incometax Act, 1961 to the Council or the Society shall continue to be applicable to the National Jute Board.

Clause 10.—This clause provides that any guarantee given for or in favour of the Council or the Society with respect to loan or lease finance shall continue to be operative in relation to the Board.

Clause 11.—This clause provides protection of tenure, remuneration, terms and conditions of service, with the same obligations and with the same rights and privileges as to leave; insurance, superannuation scheme, provident fund, other funds; retirement, pension, gratuity and other benefits as he would have held under the Council or the Society. This clause also provides that officers or employees who do not opt under sub-clause (2) not to be in the employment of the Board, shall be deemed to have resigned from the respective cadre. This clause further provides that notwithstanding anything contained in the Industrial Disputes Act, 1947 or in any other law, the transfer of the services of any officer or other employee of the Council or the Society to the Board shall not entitle such officer or other employee to any compensation under this Act or any other law and no such claim shall be entertained by any court, tribunal or other authority. The trusts of the Provident Fund and Group Insurance and Superannuation Scheme of the Council or the Society for the welfare of the officers and employees shall continue to discharge their functions in the Board and tax exemption granted would continue to be applied to the Board.

Clause 12.—This clause stipulates that the Board shall discharge its functions and duties under the relevant statute and be bound by directions of the Central Government. This clause also stipulates that the decision of the Central Government whether a question is one of policy or not shall be final.

Clause 13.—This clause stipulates that the Central Government may supersede the Board not exceeding six months, on account of grave emergency, when the Board has defaulted in complying with any direction issued by the Central Government or in the discharge of the functions and duties imposed on the Board by the proposed legislation, the financial position or the administration of the Board has deteriorated. This clause further stipulates that on supersession all Members of the Board shall vacate their offices, all powers, functions and duties shall be exercised and discharged by such person as the Central Government may direct. The Central Government on the expiration of the period of supersession may reconstitute the Board by fresh appointment of any person. This clause also

stipulates that a full report of any action and circumstances leading to such action, taken under this clause shall be laid before each House of Parliament.

Clause 14.—This clause provides for grants and loans to the Board by the Central Government after due appropriation made by Parliament. This clause also provides for constitution of the Jute Board Fund and there shall be credited grants and loans made to the Board by the Central Government and all sums received by the Board from other sources as may be decided by the Central Government. The Fund shall be applied for meeting salary, allowances and other remuneration of the Members, officers and other employees of the Board in the discharge of its functions.

Clause 15.—This clause provides for the Board to prepare its budget during each financial year, showing the estimated receipts and expenditure of the Board and submit the same to the Central Government.

Clause 16.—This clause provides that the Board shall prepare each financial year its annual report giving full account of activities during the financial year and submit the copy to the Central Government.

Clause 17.—This clause provides that the accounts for the Board shall be maintained and audited in consultation with the Comptroller and Auditor-General of India and the Board shall furnish an audited copy of its accounts together with the auditor's report to the Central Government.

Clause 18.—This clause provides that the Central Government shall lay annual report and auditor's report of the Board before each House of Parliament.

Clause 19.—This clause seeks to provide immunity to the Central Government or the Board or any member of the Board, or any officer or other employee of the Central Government or of the Board or any other person authorised by the Central Government or the Board from suits, prosecution and other legal proceedings in respect of anything done in good faith under the proposed legislation.

Clause 20.—This clause provides that all officers and employees of the Board shall be deemed to be public servants.

Clause 21.—This clause empowers the Central Government to make rules to carry out the provisions of the proposed legislation. Sub-clause (2) enumerates the various matters in respect of which such rules may be made. These matters, *inter alia*, include the terms and conditions of service of the members of the Board under proposed sub-section (5) of section 3; powers and duties of the Chairperson, Vice-Chairperson and the manner in which the accounts of the Board shall be maintained and audited and the date by which the audited copy shall be furnished to the Central Government.

Clause 22.—This clause empowers the Board to make, with the previous approval of the Central Government, regulations not inconsistent with the provisions of the proposed legislation and the rules made thereunder. These include the terms and conditions of service of the Secretary and other officers and employees and the manner in which the business of the Board shall be conducted.

Clause 23.—This clause provides that every rule and regulation made under the proposed legislation shall be laid before each House of Parliament.

Clause 24.—This clause empowers the Central Government to make order to remove any difficulty which may arise in giving effect to the provisions of the proposed legislation by order published in the

Official Gazette. Such order shall not be inconsistent with the provisions of the proposed legislation. This power can be exercised only within two years from the commencement of the proposed legislation. Further, every such order made shall be laid before each House of Parliament.

Clause 25.—This clause provides for certain consequential amendments to the Jute Manufactures Cess Act, 1983.

Clause 26.—This clause deals with repeal and savings. On the commencement of the proposed legislation, the Jute Manufactures Development Council Act, 1983 shall stand repealed subject to savings with regard to anything done or any action taken or purported to have been done or taken under the Act so repealed.

FINANCIAL MEMORANDUM

Clause 3 of the Bill provides for the constitution and incorporation of the National Jute Board for carrying out the functions envisaged in the proposed Bill. Clause 4 of the Bill provides that the Central Government may appoint the Secretary and such other officers and employees as it considers necessary for the efficient discharge of the functions of the Board. The existing infrastructure, staff and the other facilities available in the National Centre for Jute Diversification and Jute Manufacturers Development Council would be utilised by the said Jute Board. The National Centre for Jute Diversification and Jute Manufacturers Development Council would be merged into the said Board along with their funds and manpower. No fresh capital expenditure is envisaged for the time being to establish the Board. The Jute Manufacturers Cess Act, 1983 which yields approximately Rs. 38.00 crores would be utilised for recurring expenditure. The grants and loans support shall be provided through regular budget after due appropriation made by Parliament.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 13 of the Bill empowers the Central Government to supersede the Board if, on account of grave emergency, the Board is unable to discharge the functions and duties imposed on it by or under the provisions of the Bill or the Board has persistently made default in complying with any direction issued by the Central Government or in the discharge of the functions and duties imposed on it and as a result of such default, the financial position of the Board or the administration of the Board has deteriorated, for such period as may be specified in the Notification.

2. Clause 21 of the Bill empowers the Central Government to make rules relating to (a) the term of office and other conditions of service of the members of the Board under subsection (5) of section 3; (b) the powers and duties of the Chairperson under sub-section (7) of section 3; (c) the powers and functions of the Vice-Chairperson under sub-section (8) of section 3; (d) the form in which, and the time at which, the Board shall prepare its budget under section 15; (e) the form in which, and the time at which, the Board shall prepare its annual report under section, 16; (f) the manner in which the accounts of the Board shall be maintained and audited, and the date before which the audited copy of the accounts may be furnished to the Central Government under section 17; and (g) any other matter which is to be, or may be, prescribed or in respect of which provision is to be, or may be, made by rules.

3. Clause 22 of the Bill empowers the Board with the previous approval of the Central Government, by notification in the Official Gazette, to make regulations with regard the manner in which the business

of the Board shall be conducted under sub-section (9) of section 3; and the terms and conditions of service of the Secretary and other officers and employees of the Board under section 4.

4. All rules and regulations made under the proposed legislation shall be required to be laid before each House of Parliament.

5. All matters in respect of which rules and regulations may be made are matters of procedure and administrative detail, and it is not practicable to provide for them in the Bill itself. The delegation of legislative power is, therefore, of a normal character.

ANNEXURE
EXTRACTS FROM THE JUTE MANUFACTURES CESS ACT, 1983
(28 OF 1983)

* * * * *

3. (1) There shall be levied and collected by way of cess for the purposes of the Jute Manufacturers Development Council Act, 1983, on every article of jute manufacture specified in column 2 of the Schedule and produced in India, a duty of excise at such rate not exceeding the rate specified in the corresponding entry in column 3 thereof, as the Central Government may, by notification in the Official Gazette, specify:

Provided that until such rate is specified by the Central Government, the duty of excise shall be levied and collected at the rate specified in the corresponding entry in column 4 of the Schedule.

(2) The duty of excise levied under sub-section (1) shall be in addition to the duty of excise leviable on jute manufactures under the Central Excises and Salt Act, 1944 or any other law for the time being in force.

* * * * *

(4) The provisions of the Central Excises and Salt Act, 1944, and the rules made thereunder, including those relating to refunds and exemptions from duty, shall, so far as may be, apply in relation to the levy and collection of the duty of excise on jute manufactures under this Act.

4. The proceeds of the duty of excise levied under sub-section (1) of section 3 shall first be credited to the Consolidated Fund of India and the Central Government may, if Parliament, by appropriation made by law in this behalf, so provides, pay to the Jute Manufactures Development Council, from time to time, from out of such proceeds (after deducting the cost of collection which shall not exceed four per cent. of such proceeds) such sums of money as it may think fit for being utilised for the purposes of the Jute Manufactures Development Council Act, 1983.

* * * * *

Levy and collection of cess on jute manufactures produced in India.
Crediting proceeds of duties to the Consolidated Fund of India.

1 of 1944.
27 of 1983.
1 of 1944.
27 of 1983.

LOK SABHA

A

BILL

to provide for the establishment of a National Jute Board for the development of the cultivation, manufacture and marketing of jute and jute products and for matters connected therewith and incidental thereto.

(Shri Shankersinh Vaghela, Minister of Textiles)
MGIPMRND—705LS(S5)—18-05-2006.

LOK SABHA

CORRIGENDA to THE NATIONAL JUTE BOARD BILL, 2006
[To be/As introduced in Lok Sabha]

1. Page 11, line 5 from the bottom,-
for “Council” read “Centre”
2. Page 12, line 1,-
for “have not” read “have not been”
3. Page 16, line 7,- for “Manufacturers” read “Manufactures”
4. Page 16, line 8,- for “Manufacturers” read “Manufactures”
5. Page 16, line 11,- for “Manufacturers” read “Manufactures”

NEW DELHI;
May 19, 2006 _____
Vaisakha 29, 1928 (Saka)

ANNEXURE-III

MINUTES OF THE NINETEENTH SITTING OF THE STANDING COMMITTEE ON LABOUR HELD ON MONDAY, 3 JULY 2006

The Committee met from 1100 hours to 1300 hours in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Suravaram Sudhakar Reddy – CHAIRMAN

MEMBERS

LOK SABHA

2. Shri Furkan Ansari
3. Shri Santasri Chatterjee
4. Shri Thawar Chand Gehlot
5. Dr. Satyanarayan Jatiya
6. Shri Virendra Kumar
7. Smt. Sushila Kerketta
8. Shri Bassangouda Patil (Yatnal)
9. Shri Lal Mani Prasad
10. Shri Chandradev Prasad Rajbhar
11. Smt. C.S. Sujatha
12. Shri Parasnath Yadav

RAJYA SABHA

13. Shri Gandhi Azad
14. Shri Debabrata Biswas
15. Shri Rudra Narayan Pany
16. Shri K. Chandran Pillai

SECRETARIAT

- | | | | |
|----|-------------------|---|--------------------|
| 1. | Shri N.K. Sapra | - | Joint Secretary |
| 2. | Shri R.S. Misra | - | Deputy Secretary |
| 3. | Shri N. K. Pandey | - | Under Secretary |
| 4. | Shri S.K. Saxena | - | Assistant Director |

REPRESENTATIVES OF MINISTRY OF TEXTILES

Sl.No.	<u>Name of the Officer</u>	Designation
1.	Shri D.P. Singh	Secretary
2.	Smt. Asha Swaroop	Additional Secretary & FA
3.	Shri Sudripta Roy	Joint Secretary
4.	Shri S. Majumdar	Jute Commissioner, Kolkata.
5.	Shri A. K. Bal	Secretary, Jute Manufactures Development Council and Executive Director, National Centre for Jute Diversification, Kolkata
6.	Shri R. C. Tiwari	Chairman-cum-Managing Director, Jute Corporation of India Ltd., Kolkata.
7.	Shri C. Roul	Director (Jute), Ministry of Textiles
8.	Shri R.C. Saini	Deputy Secretary

II REPRESENTATIVES FROM THE MINISTRY OF LAW & JUSTICE

1.	Shri N.L. Meena	Joint Secretary & Legislative Counsel
2.	Shri Udaya Kumar	Assistant Legislative Counsel

2. At the outset the Chairman welcomed Shri D.P Singh, Secretary (Textiles) and Officials of the Ministry of Textiles, Ministry of Law and Justice and asked them to brief the members about the National Jute Board Bill, 2006 which has been referred to the Standing Committee on Labour by the Hon'ble Speaker.

3. The Secretary (Textiles) and other officials of the Ministry of Textiles and the Ministry of Law & Justice briefed the Committee on the Bill. Then they replied to the queries raised by the Members. The Chairman directed the Secretary (Textiles) to furnish written replies to questions for which the replies were not available with them during the briefing.

A verbatim record of the briefing has been kept.

The witnesses then withdrew.

**MINUTES OF THE SECOND SITTING OF THE STANDING COMMITTEE ON LABOUR
HELD ON FRIDAY, 13 OCTOBER 2006**

The Committee met from 1130 hours to 1300 and again from 1430 hrs. to 1530 hrs. in Committee Room "E", Parliament House Annexe, New Delhi.

PRESENT

Shri Suravaram Sudhakar Reddy – CHAIRMAN

MEMBERS

LOK SABHA

3. Shri Furkan Ansari
4. Shri Santasri Chatterjee
5. Shri Thawar Chand Gehlot
6. Smt. Sushila Kerketta
7. Shri Mohammad Tahir Khan
8. Shri Virendra Kumar
8. Shri Rajesh Kumar Manjhi
9. Shri Bassangouda R. Patil
10. Shri Devidas Pingle
11. Shri Chandradev Prasad Rajbhar
12. Shri Kamla Prasad Rawat
13. Smt. C.S. Sujatha
14. Shri Parasnath Yadav

RAJYA SABHA

15. Shri Rudra Narayan Pany
16. Shri Narayan Singh Kesari
17. Shri K. Chandran Pillai
18. Shri Gandhi Azad
19. Shri Dilip Ray

SECRETARIAT

1. Shri S.K. Sharma - Additional Secretary
2. Shri N.K. Sapra - Joint Secretary
3. Shri R.S. Misra - Director

REPRESENTATIVES OF THE MINISTRY OF TEXTILES

Sl. No	Name of the Officer	Designation
1.	Shri A.K. Singh	Secretary
2.	Smt. Asha Swarup	AS &FA
4.	Shri Sudripta Roy	Joint Secretary
5.	Shri S.C. Grover	MD, Cotton Corporation of India
7.	Shri Atri Bhattacharya	Executive Director, National Centre for Jute Diversification
8.	Shri Manish Kumar Gupta	Director

2. At the outset the Chairman welcomed Shri A.K Singh, Secretary (Textiles) and other Officers of the Ministry of Textiles and asked them to brief the members about the subject “Development of Cotton Sector vis-à-vis functioning of Cotton Corporation of India” which has been selected as a subject for detailed examination during the year 2006-2007.

3. The Secretary (Textiles) and other officials of the Ministry of Textiles briefed the Committee on the subject. Then they replied to the queries raised by the Members. The Chairman directed the Secretary (Textiles) to furnish written replies to questions for which the replies were not available with them during the briefing.

4. After the lunch break, the Committee took the oral evidence of the representatives of the Ministry of Textiles on the National Jute Board Bill, 2006. The Secretary (Textiles) and representatives of the Ministry of Textiles replied to the queries raised by the Members. The Chairman directed the Secretary (Textiles) to furnish written replies to the questions which were not available with them during the evidence to the Secretariat at the earliest.

A verbatim record of the briefing and the oral evidence has been kept.

The witnesses then withdrew.

The Committee then adjourned

**MINUTES OF THE THIRD SITTING OF THE STANDING COMMITTEE ON LABOUR
HELD ON THURSDAY, 2 NOVEMBER, 2006**

The Committee met from 1130 hours to 1300 hours in Committee Room 'E', Parliament House Annexe, New Delhi.

PRESENT

Shri Suravaram Sudhakar Reddy – CHAIRMAN

MEMBERS

LOK SABHA

2. Shri Subrata Bose
3. Shri Santasri Chatterjee
4. Shri Thawar Chand Gehlot
5. Shri Munawar Hasan
6. Shri Virendra Kumar
7. Shri Rajesh Kumar Manjhi
8. Shri Bassangouda R. Patil
9. Shri Devidas Pingle
10. Shri Kamla Prasad Rawat
11. Smt. C.S. Sujatha
12. Shri Parasnath Yadav

RAJYA SABHA

13. Shri Rudra Narayan Pany
14. Shri Narayan Singh Kesari
15. Shri K. Chandran Pillai
16. Shri Dilip Ray

SECRETARIAT

1. Shri S.K. Sharma - Additional Secretary
2. Shri N.K. Sapra - Joint Secretary
3. Shri R.S. Misra - Director
4. Shri N. K. Pandey - Under Secretary

2. XX XX XX

3. The Committee then took up the Draft Report on “The National Jute Board, 2006” for consideration and adoption. The Committee adopted the report with the following modifications:

Page 17, Para 52: To **delete** last three sentences, **viz.** “The Committee have further noted that heads of many of these organizations would be members in the proposed National Jute Board. The Committee, therefore, recommend that the National Jute Board may be established for the effective development of the jute sector by merging JMDC and NCJD as proposed. Subsequently its performance may be reviewed at regular intervals and suitable corrective steps taken wherever necessary” **and to insert in its place the recommendation, “The reasons put forth by the Ministry of Textiles for not merging various organizations engaged in the jute sector in the proposed National Jute Board is not acceptable to the Committee due to the fact that the goals of the Bill i.e. formation of an umbrella body for the entire jute sector, can only be achieved by bringing in all the constituents under one roof. The Committee, therefore, recommend that the National Jute Board may be established by merging various organizations engaged in the jute sector for the integrated and effective development of the jute sector”.**

Page No.19, Para No.57: To **delete** “(d) to discuss with the JCI before the announcement of MSP and also regarding opening of purchase centres in different jute producing States”.

Page 20, Para 58: **To delete the entire paragraph**

Page 20, Para 59: **To amend entire paragraph as follows:**

The Committee note that jute is a bast natural fibre and Mesta is also a bast fibre which belongs to a separate breed called Kenaf. In the Bill, the term “jute” has not been defined. As such, this Bill may not actually benefit the Mesta growers in various States. The Committee, therefore, recommend that a definition of “jute” should be incorporated in the definitions part of the Bill which should include Mesta (Kenaf) to benefit the jute farmers in the Mesta producing States, particularly Andhra Pradesh.

Page 20, Para 60, Line 9 **To amend the fourth sentence as, “Hence, the Committee recommend that sufficient number of procurement centers, including mobile ones, should be opened by the appropriate body which would be established after the formation of the National Jute Board, to procure maximum quantity of raw jute from the farmers.**

4. The Committee authorized the Chairman to finalise the Report by incorporating the above amendments and present the same to Parliament on their behalf.

5. XX XX XX

6. XX XX XX

The Committee then adjourned.