



Bill Summary

The National Jute Board Bill, 2006

- The National Jute Board Bill, 2006 was introduced in the Lok Sabha by the Ministry of Textiles on May 22, 2006. The Bill was referred to the Parliamentary Standing Committee on Labour which presented its report to the Lok Sabha on November 24, 2006. The Bill also seeks to repeal the Jute Manufacturing Development Council Act, 1983.
- The Bill establishes a National Jute Board to develop the promotion of jute and jute products. The National Jute Board will replace the Jute Manufactures Development Council (JMDC) and the National Centre for Jute Diversification (NCJD), as the central body to coordinate the operations in the jute sector.
- NJB will consist of 21 members appointed by the central government from the jute sector, representing the jute industry, jute research institutes and various relevant ministries including the Ministry of Textiles, Ministry of Agriculture and Ministry of Food and Public Distribution. The Secretary, Ministry of Textiles would be the ex officio Chairperson.
- The NJB will advise the central government on all matters related to jute development, cultivation, imports and exports. The bill lists 21 functions the Board can undertake with relation to jute development.
- The Bill constitutes a Jute Board Fund to which all grants and loans made by the central government and any other approved will be credited.
- The Bill outlines all transfers from the current jute coordinators (the Jute Manufactures Development Council and the National Centre for Jute Diversification) to the National Jute Board. It proposes that the property and contracts, working arrangement, licences, permits, quotas and exemptions, etc, relating to or owned by JMDC and NCJD shall be transferred and vested in NJB. NJB shall also be entitled to the tax exemptions or benefits available to JMCD or NCJD under the Income-Tax Act, 1961.
- Any proceedings, law suits or cause of action pending by or against the JMCD or NCJD may be continued and enforced by or against NJB.
- Every employee of JMCD or NCJD will become an employee of NJB. The Bill provides for the protection of tenure, remuneration, terms and conditions of service and other benefits as held under JMCD or NCJD for a period of one year from the appointed day. After the expiry of the period of one year, all the employees of NJB shall be governed by the rules and regulations made by it.
- The Bill also outlines the powers of the central government in case of grave emergency or on account of persistent default by NJB in not carrying out its instructions or in public interest.

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