

National Fibre Policy by December: Maran

It will address issues such as duty structure and the pricing of fibres

Special Correspondent

KOLKATA: India will put in place by December 2009, A National Fibre Policy will be in place by December to provide a level playing field to the industry, Union Textiles Minister Dayanidhi Maran said here on Wednesday.

Addressing a meeting on jute, he said the policy would address issues such as duty structure and the pricing of fibres needed to augment investment and enhance the global competitiveness of the labour-intensive industry. Apparel exports had increased by five per cent between April and September 2009.

The Minister pulled up the industry for its dependence on protection measures like the Jute Packaging Order, saying that the industry did not want to upgrade. "It is regrettable that jute as a fibre has not been exploited and jute products face threat from



ENHANCING COMPETITIVENESS: Union Textiles Minister Dayanidhi Maran at the interactive session with representatives of the jute sector in Kolkata on Wednesday.

- PHOTO: ARUNANGSÜ ROY CHOWDHURY

rivals. The protection is good environmentally and socially, but this seems to be acting as disincentive and a barrier to modernisation," he remarked.

He said the Ministry favoured increasing the Mini-

mum Support Price of jute from Rs. 1,375 to Rs. 1,675 a quintal. "The government will always intervene to protect farmers," he told the gathering of industrialists.

Mr. Maran asked the industry to diversify and adopt

value-addition. The Ministry had taken up the proposal for increasing the subsidy from Rs. 70 lakh to Rs. 3.50 crore a mill, he said. The Minister announced that the government would shortly take up a \$4-million project with the International Jute Study Group for testing, standardisation and promotion of Jute Geotextiles which find use in areas like erosion control, and soil reinforcement.

He said efforts were on to increase market access for textiles by tapping markets like Japan which are now looking to diversify their import base beyond China. Of the \$15-20 billion worth of textile imports by Japan, only \$340 million was from India, Mr. Maran said. The global downturn had affected textile exports but the domestic demand had softened the impact. With the Western market inching towards a recovery, exports were now increasing, Mr. Maran said.