

Speech

of

**Thiru. Dayanidhi Maran**

Union Minister of Textiles

at

the Launch of the  
International Project “Development and  
Application of Potentially Important Jute  
Geotextiles”

on

12<sup>th</sup> November, 2009

at

**Hotel Taj Mahal**  
**Mansingh Road, New Delhi**

Ambassador Ali Mchumo, Managing Director, Common Fund for  
Commodities

Tmt. Rita Menon, Secretary, Ministry of Textiles, Govt. of India

Thiru. Sudripta Roy, Secretary General, International Jute Study Group

Thiru. Bhupendra Singh, Joint Secretary, Ministry of Textiles, Govt. of India

Thiru. Atri Bhattacharya, Secretary, Jute Manufactures Development  
Council

Friends in the Media

Ladies and Gentlemen

The Indian Jute Industry is more than one hundred years old and had played an important role in India's economy and still occupies a very important place in the national economy particularly in eastern region. The principal outlet for jute goods is in the packaging area. The Jute economy supports nearly **40 lakh farmer families** besides providing direct employment to **2.5 lakh industrial workers** and livelihood to another **20 lakh people in secondary and tertiary** sectors. Jute, **the golden fibre**, meets all the standards for 'safe' packing in view of its inherent advantages of being a natural renewable, biodegradable and eco-friendly product.

In recent years, problems of the jute industry have multiplied and it is struggling for survival. The difficulties faced by the industry have arisen from several structural weaknesses. These are:

- Instability in production of raw jute
- High labour cost
- Demand erosion for traditional jute products
- Obsolescence of machinery, and
- Uneconomical working conditions

The Jute products, of late, have also been facing severe competition from its rival synthetic products, especially in value terms. Still the focus of the Industry is on production of sacking with assured market and Governmental support. The Government's commitment to continue with protection to jute, is beyond doubt. The jute industry will not flourish unless steps are taken by the stakeholders to diversify and make the jute products price competitive. This can only happen if the industry takes the lead to modernize work processes and explore new market for diversified products.

Friends, **the mantra for survival of jute industry is product diversification. The Jute Geo Textiles provides an opportunity to the Industry to diversify and capture new market.** Jute Geotextiles find applications in a wide spectrum of civil engineering activities, especially in geotechnical branch. In developed countries, geotextiles, made out of man-made fibres, are being extensively used in road construction, for

control of soil erosion, consolidation of soil and stabilization of slopes. The other advantage of Jute Geotextiles is its eco-concordance and price – competitiveness.

Globally, it has been proved that Geotech is a very cost effective and versatile material for ground modification and stabilization. It helps in providing long life to roads and highways and that too with least maintenance cost. **However, in India the use of these materials remain inadequate and far below the potential despite the fact that India has the second largest road network in the world and indigenous fibre base.** It becomes our bounden duty to sensitize the stakeholders about myriad applications of Jute Geotextiles and its business potential.

**I am given to understand that Jute Geotextiles can have a business potential of Rs. 1,260 crore in the 21,000 kilometre National highway being upgraded by the Government.** The country has a road network of 33 lakh kilometres, which includes the National Highways, State Highways and Expressways. **Under the Bharat Nirman, Pradhan Mantri Gramin Sadak Yojana envisages laying of 24,000 kilometres of roads to provide connectivity to rural sector and Jute Geotextiles in this Programme can generate a market potential of Rs. 868 crore.** Jute Geotextiles has been extensively used over the last ten years in India with success. Recently, in a PMGSY pilot project under the Ministry of Rural Development, 10 road projects in five States have been completed successfully. **The Government will spent US \$ 78.5 billion for development of road infrastructure during the Eleventh Five Year**

**Plan Period and the Jute Textiles Industry shall shape up to exploit the potential.**

If the Jute Geotextiles have to meet acceptability both in national and international markets, there is an immediate need for standardization. The Bureau of Indian Standards had published two standards on Jute Geotextiles, and two other standards are under its active consideration. The Indian Roads Congress has been approached for accepting Jute Geotextiles as a road-improving product, and it has permitted use of Jute Geotextiles provisionally. The Industry has to take up follow up activities vigorously.

I am happy to note that the Common Fund for Commodities, Amsterdam has agreed to sponsor this project which aims at identifying potentially important Jute Geotextiles in erosion control and rural road construction and standardizing the design methodology and specifications. The International Jute Study Group, Dhaka, Bangladesh has played an positive role in getting the project off the block. I am told that 26 field trials (16 in India and 10 in Bangladesh) will be conducted for re-affirming the effectiveness of Jute Geotextiles in the two specific applications. This will not only enhance the off take of jute, but also reduce the dependence of the jute industry on traditional products.

This project involving US \$ 3.96 million has also a social angle. The increased off-take of jute will help in poverty alleviation in jute-growing areas and in improving the living conditions of farmers and workers. I

compliment Common Fund for Commodities and International Jute Study Group for their initiative.

I hope that Jute Manufactures Development Council as the Project Evaluation Authority of the project will be able to fulfill its commitments with the support and co-operation of the partners of the project and lead jute to a better position in the interests of the farmers, the workers, the industries and all the stakeholders in the sub-continent. Before concluding I would like to thank Ambassador Ali Mchumo, Managing Director, Common Fund for Commodities for selecting Jute Geotextiles for use in erosion control and road construction thus diversifying jute usage wider.

Thank you.